

D102.81:7/4

# ARMY HOST

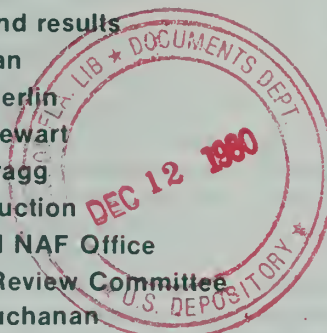


**Club and Community Activities  
Management Directorate, TAGO**

**Vol. VII, No. 4, Nov./Dec. 1980**

## This issue

Hale Koa Hotel  
Year-end results  
Yongsan  
West Berlin  
Fort Stewart  
Fort Bragg  
Construction  
Central NAF Office  
MWR Review Committee  
Fort Buchanan  
Capital Expenditure Budgeting  
Norddeutschland  
Fort Devens  
Fort Leavenworth  
Fort Carson  
Frankfurt



Fort Irwin  
Fort Campbell  
Fort Belvoir  
Cameron Station  
Fort Monroe  
Fort McClellan  
Accounting  
Country and Western  
Wiesbaden  
MDW  
Fort Meade  
Central Contracting Office  
Redstone Arsenal  
Cash management  
KaBoom  
How much net is enough  
Welcoming  
F.I.U.

## Retrospect 1980

*Revenue, sales, net up as club management, facilities and programs continue to improve services to soldiers and families.*

**WASHINGTON**—The Army Club System is heading into Fiscal Year 1981 braced by its strongest financial showing ever during the past Fiscal Year. Total club and package store sales were up to \$280.84 million from 1979 sales of \$258.26 million. Total revenues went from \$305.08 million in 1979 to \$333.94 million in Fiscal Year 1980. Net income increased by \$3.28 million to \$18.24 million or 7.6 percent of total revenue. This does not include distribution of \$4.47 million of package beverage store net income to morale, welfare and recreation activities other than clubs, up from \$1.22 million in Fiscal Year 1979. Clubs Army-wide would have made \$5.8 million in 1980 without the benefit of package store net income distribution.

Officials at the Club and Community Activities Management Directorate, TAGO, who oversee club and other NAF operations attributed the financial success to hard work and innovation on the part of hundreds of club managers and employees working to give the Army their best in the way of club

services and programs. The outlook beyond 1980 and 1981 is brightened by the momentum gathered in the club facilities improvement area, a major subject in this issue of the Army Host. This substantial investment in the future should result in better club programs, improved member satisfaction and future financial progress.

"Managers are managing—that's the key," said **COL Lee C. Dickson**, Army Director of Club and Community Activities. Army-wide, we have noted a great improvement in the operation of our facilities as managers apply their experience and the training they received at the Club Management Course, Executive

Club Management Course, and training workshops." Beginning in Fiscal Year 1981, the **Club Management Course**, conducted at the Soldier Support Center, Fort Harrison, Ind., has been extended from seven to nine weeks. Over 200 managers graduated from this Course in 1980. The CCAMD-sponsored **Executive Club Management Course**, conducted this past summer, graduated 61 managers while 450 managers attended four training workshops.

Sixty-one Army club people graduated from the all-Service-sponsored **Armed Forces Culinary Course** at Patuxent River Naval Air Station, Md.

See **RETROSPECT**, pg. 2

## MWR Review Committee meets

*Finance, construction, appropriated funds key subjects*

**WASHINGTON**—The Army Morale, Welfare and Recreation Review Committee met September 16-18 and decided to increase package beverage net income distribution to installation morale support funds to 40 percent by 1983, develop a 5-year MWR budgeting and construction program synchronized with appropriated funds beginning in 1982, maximize the use of authorized appropriated fund support for MWR programs by adopting a 60 percent appropriated fund threshold as a minimum budgeting goal for

installation morale support activities, and to maximize the use of existing NAF cash resources at the installation and major command level in satisfying local MWR needs.

The Committee, chaired by The Adjutant General, meets semi-annually and is comprised of Deputy Chiefs of Staff for Personnel from the Training and Doctrine Command, Forces Command, Development and Readiness Command, US Army, Europe, the Chief of Staff of Eighth Army, Deputy The Adjutant

See **MWRRC**, pg. 2

Most NAF employees in the United States, except for AAFES employees, are now receiving their paychecks from the **Central NAF Payroll Office** at Red River Army Depot, Texas.

Meanwhile, over 90 percent of Army installations in the United States were operating under the **Non-appropriated Fund Information Standard System** at the end of the Fiscal Year.

Investments in the Army **Central Investment Program** continued to increase with quarterly interest rates reaching 18 percent per annum in the third quarter as CIP managers took advantage of market conditions to boost the CIP portfolio.

The Army's **Risk Management Program** began self-insuring of workers' compensation insurance in Fiscal Year 1980, improving cash flow and the financial position of the Central Insurance Fund. During the Fiscal Year, a program to provide central banking services for Army NAF activities entered its final planning stages, identifying over \$40 million in individual NAFI bank deposits that currently do not earn interest.

Nearly 80 installations were visited by Club and Community Activities Management **technical assistance teams** to help club managers in improving club operations and member services.

The Directorate also continues to provide **training films and publications** and other management support materials for use by managers in conducting their own training programs.

Considerable improvements in **career management** for military club managers are resulting from the newly established Club Management Section, headed by **MAJ Bob Shooner**, at the US Army Military Personnel Center.

**MWR construction** was provided a needed boost by the MWR Review Committee as TAG and major commands agreed on procedures to prioritize and expedite MWR facility improvements.

The CCAMD Facilities Branch at TAGO rendered 33 designs for clubs and other MWR facilities with food and beverage operations while 12 construction projects costing \$12.5

million were accomplished by this office. Standard designs for medium-sized officers and NCO/enlisted clubs also were developed.

CCAMD's **Central NAF Contracting Office** continued work on central contracts for meat and beer while assisting NAF activities in procuring numerous other items such as furnishings, kitchen equipment, cash registers, vehicles, party favors, uniforms, bar control equipment, and more—in fact, just about everything you need to equip and operate a club.

The **Hale Koa Hotel**, Armed Forces Recreation Center ended its first year of operation under The Adjutant General, with a \$3.5 million renovation in process, increased revenues and achieved a 96 percent occupancy despite on-going room renovations.

Executive agent responsibility for operation of the **Sanno Hotel** was transferred from the Army to the Navy.

#### MWRRC, from pg. 1

General, and the Sergeant Major of the Army. It reviews NAF dividends received from the Army and Air Force Exchange Service and other sources; assists in developing NAF program budget guidance; reviews NAF budget submissions; reviews and recommends approval of NAF major construction requests; participates in resource management reviews of both NAF and appropriated fund MWR budget execution; and assists in formulating policy for MWR programs.

The Committee agreed to change the threshold between NAF minor and major capital expenditures from \$100,000 to \$150,000, approved a \$10.2 million NAF major construction program for Fiscal Year 1981, discontinued efforts to test the elimination of club dues and merged the Army Club System Board functions with those of the Army MWR Review Committee.

Commitments were made to increase major command involvement in MWR matters by closer coordination with major commands, create incentives for major commands to apply more authorized appropriated funds to support

Procurement efforts were underway to purchase the first 250 **slot machines** for placement in clubs at the Kaiserslautern and Frankfurt Military Communities.

The Army announced the **winners of the 1979 James A. Carroll, Jr. Award** for Club Management Excellence. Winners in each of the four categories of officer, warrant officer, noncommissioned officer and civilian were: **LTC Douglas Holtz**, for his work as Bad Kreuznach, West Germany, Area Club Manager; **CW3 Richard Gorman**, for his work as Carlisle Barracks, Pa., Installation Club Manager; **CW4 Ron Given**, for his work as Fort Sam Houston, Texas, Officers' Branch Manager; **MSG Zenaphir Bond**, for his work as Nuernberg, West Germany NCO Branch Manager; **SFC Edwin Ramseyer**, for his work as Kaiserslautern, West Germany NCO Branch Manager; and **Nelson Miles**, Fort Carson, Colo., NCO Branch Manager. **ah**

MWR programs use standard designs wherever possible to speed up execution of major construction projects, encourage attendance at the recently established DPCA Course at the Soldier Support Center, and increase support for child care centers.

Additionally, the Adjutant General agreed to pursue more sources for MWR funds, work to expedite capital expenditure projects, develop an integrated NAF financial management information system, look at methods for providing NAF manager incentives, and study centralized career management and referral programs for NAF managers. **ah**

## Five Army graduate AFCC

**PATUXENT RIVER NAVAL AIR STATION, MD**—Congratulations to the following Army club people for graduating from the Armed Forces Culinary Course on Sept 14: **SGM Edward J. Majca**, Military District of Washington; **SFC Lucius Bonds**, The Judge Advocate General School, VA.; **SFC Patrick Dunlap**, Fort Monroe, VA.; **SSG Diedre Rosier**, Fort Benning, GA.; and **James Starnes**, Fort Gordon, GA. **ah**



# OOJ promotions: increasing your chances

by MSG Robert Burns

*OOJs should update files to increase promotion possibilities.*

**WASHINGTON**—Since the Club Management Section, MILPERCEN, began operations last January, the promotion potential of our OOJ managers in the Enlisted Club Management Career and Development Program has been a top priority. While past promotion rates for OOJs have been the same or slightly below Army averages, there is proof that OOJ selection rates could have been better had OOJs been more careful.

We regularly get letters from OOJs asking: "Why didn't I get promoted?"

We interviewed many OOJs and found the observations to be quite revealing. In many cases, the OOJs did not know what was in their file. Not checking the OMPF can easily lead to nonselection for promotion to the next higher grade. When we get called, we check the files to answer questions on the reason for nonselection. Here are some typical exchanges:

**CMS MILPERCEN finds:** Article 15's or letters of reprimand.

**OOJ's response:** "How did they get there? They don't belong to me."

**Solution:** Misfiling by the Enlisted Records Section. The Enlisted Records Section at Fort Harrison, Ind. could accidentally put a document in your file that belongs in someone else's file. Only by checking your record can you be sure it is accurate.

**CMS MILPERCEN finds:** Last physical, dated 1975, shows service member 14 pounds overweight.

**OOJ's response:** "I lost all that weight in 1976, and have never been above the weight limit since."

**Solution:** Check with your military personnel office (MILPO, and be sure that item 22 of DA Form 2-1 correctly reflects your height and weight. Promotion boards are tough on maintaining weight and height standards. Be sure they forward an update copy of DA Form 2-1 for inclusion in the OMPF.

**CMS MILPERCEN finds:** Outdated photos, poor quality photos, or no photos at all.

**OOJ's response:** I thought I sent a new one in 2 years ago.

**Solution:** A primary tool used by promotion boards and school selection boards. Your photo represents the soldier you are. Your soldierly physical appearance is important. The prevailing thought is if you don't care enough to be sure you have a current, quality photo in your file, you probably don't care about the next promotion. (And the promotion board won't care either.)

**CMS MILPERCEN finds:** Latest SEER in the OMPF was dated 1976.

**OOJ's response:** I have had four SEERS since then, and they were all MAX's.

**Solution:** No promotion board can evaluate you if your reports are not there. Check your file to be sure all SEER's are accurately posted.

**CMS MILPERCEN finds:** Our OOJ has copies of letters of recommendation, orders for awards, transcripts of college credits, military education completion certificates, but none of these documents appear in his official file.

**OOJ's response:** The MILPO is supposed to automatically put that in my file.

**Solution:** All of these documents formulate the "whole person" you are. They reflect on the quality of your service, and your initiative to improved yourself. Check you own OMPF regularly and ensure these documents are posted. Always maintain a personal copy of favorable documents or actions.

In each interview, when we asked

"why didn't you check your file," we hear:

*I didn't think it was necessary.* (It is necessary.)

*I assumed it was correct and up to date.* (Don't assume, it is your career.)

*I didn't have time.* (While club managers are very busy people, we all take time and prioritize the necessities of life—if you want to be promoted, make checking your record a necessity.)

*I wasn't sure how to check my record.* (It's easy! Simply write a letter requesting a copy of your file to:

Commander  
Enlisted Records and Evaluation Center

ATTN: PCRE-RF-1

Fort Benjamin Harrison, IN 46249

Enlisted promotions are very competitive. In 1980, the Administrative Career Field (includes OOJ's) selection rates were:

To E7—23.4% = Less than 1 out of 4 was promoted.

To E8—15.8% = Less than 1 out of 6 was promoted.

To E9—21.8% = Approximately 1 out of 5 was promoted.

Your manner of performance as reflected by the SEER and EERWA is the single most important part of your file. **ah**

*Burns has been a OOJ Club Manager for 13 years. He is currently the MILPERCEN Professional Development NCO for all MOSC OOJ's Army-wide.*

## DA seeks improved GS manager pool

**WASHINGTON**—Department of the Army is asking installations which are recruiting for general schedule (GS) club managers to request the area Office of Personnel Management (OPM) to provide certification of candidates in accordance with Federal Personnel Manual 332.B, C unless the examining authority has been delegated by OPM to the installation.

This move is expected to provide the installation with a larger field of

GS applicants for consideration for club managerial positions in accordance with Federal Personnel Manual/Civilian Personnel Regulation 335.3-3e. It also represents an overall effort on the part of Department of the Army to improve the availability of GS club managers.

Installations should indicate on their initial recruitment request to HQDA (PECC—NAF) that they have concurrently requested a certificate of eligibles from OPM or other examining authorities. **ah**

## Inflation is main topic

*U.S. Region Workshop has exciting slate*

**WASHINGTON**—The Fort Myer Officers' Club ballroom will be done over to represent a huge Mexican plaza and the first evening of the U.S. Regional Club Management Workshop will center around a "Mexican Extravaganza" theme.

That's only the beginning of an exciting slate of activities planned this year by workshop sponsors at the Club and Community Activities Management Directorate, TAGO.

The Dec. 2-5 workshop theme is "Planning for the Eighties in Army Clubs" and attendees will hear presentations by noted hospitality industry authorities. George D. Rice of GDR Enterprises, a firm specializing in food service marketing, will present consumer reports on eating share trends. Tom Hass, product manager of Chase Econometrics, will provide an economic overview of the 80's and Walter Conti, owner and manager of Conti's Cross Keys Inn and National Restaurant Association Vice President, will speak on forecasting the legislative impact of the new Administration and Congress, according to workshop organizers.

Other speakers include Professor Don Smith, Director of the Hotel,

Restaurant and Institutional Management School of Michigan State University, on marketing in the 1980's, and Janie Urbanic of the Tracey Locke Advertising Agency will tell managers how market research can be made easy. Dick Diemer, Director of Marketing Management for Hardee's Food Systems, will discuss Discounting and Couponing in the 80's. **COL Lee C. Dickson**, CCAMD Director, will provide an organizational overview of the future of Army Clubs, emphasizing the changes that will affect managers.

Besides the line up of these and other speakers, attendees will work in teams developing an operational strategy for the 80's, participate in a Great Menu Awards Contest and attend an Awards Banquet at the Fort McNair Officer's Club.

During the workshop, **Major Bob Shooner**, and **MSG Robert Burns** Club Management Section, MILPERCEN, will be available to discuss Army career matters with interested managers. Personnel from CCAMD Policy, Financial Management and Operations Support Divisions also will be on hand to discuss and offer advice on individual club problems. The entire workshop program this year promises to be highly thought-provoking, educational and beneficial. **ah**

## Food training at top Korea hotels

**SEOUL, SOUTH KOREA**—Chefs and cooks at Army clubs in Korea attended training sessions at prestigious hotels located in South Korea as part of a Club and Community Activities Management Directorate, TAGO effort to improve Army club food.

The two-week sessions, conducted at the Shilla, Chosun, Seoul Garden, Hyatt and Park Plaza Hotels provide exposure to gourmet cooking and numerous styles of service provided in the hotels, according to CCAMD's **Lyle Wagner**, program coordinator. Students participate in preparing buffets and entrees and the cost to the clubs is limited to room costs for attendees.

Fifteen Korean food service people have completed three sessions with more sessions planned. **ah**

## E-7 board

**WASHINGTON**—About 11,750 E-6's should be tapped for promotion by a DA selection board in January, according to MILPERCEN officials.

All E-6's on active duty with a date of rank before Dec. 1, 1977 are eligible for consideration in the primary zone. Those with a date of rank between Dec. 1, 1977 and Jan. 31, 1979 may be considered in the secondary zone, say officials.

OOJs should contact their military personnel office for further information. **ah**

## Army 1981

### AFCC slots filled

**PATUXENT RIVER NAVAL AIR STATION, MD**—Army quotas for all six of the 1981 Armed Forces Culinary Courses have been filled. Additional requests for course slots will be accepted and held on standby with installation club managers notified when and if spaces become available. **ah**

## IMCEA Conference Jan. 12-14

**COLORADO SPRINGS, CO**—The International Military Club Executives Association will hold a management training workshop in Colorado Springs, Colo., from Jan. 12-14, 1981. The workshop, with a theme of "Food, Service, Beverages, Entertainment, & Hospitality for the 80's," will feature presentations by **COL Lee C. Dickson**, Army Director of Club and Community Activities; various Fort Carson, Colo., club managers; and Ron Oberst, Chief, Open Mess Division, Strategic Air Command Headquarters, Offutt Air Force Base, Neb. Contact the IMCEA at 1750 Old Meadow Road, McLean, VA 22102, (703) 734-1818 for information. **ah**

## ERO session

**WIESBADEN, WEST GERMANY**—52 club managers heard presentations on financial management, operational controls, marketing, food programs, beverage operations, and other club management subjects at an "Introduction to European Club Management" workshop conducted by the Technical Assistance Branch of the European Regional Office, Club and Community Activities Management Directorate, TAGO. The 3-day session held on Sept. 22-24 is part of a continuing effort by the office to orient Europe new-arrivals to the peculiarities of managing clubs within that command. **ah**



# AFCC to West Pacific following Europe session

**YONGSAN, SOUTH KOREA—**The Armed Forces Culinary Course, normally taught at Patuxent River Naval Air Station, Md., will pack up and take its culinary talents to the Western Pacific area to conduct two courses.

The first course will be held in Okinawa from 23 March to 17 April. Most of the students in this course will be from Air Force, Navy and Marine Corps clubs. Another course will be conducted in Korea from 27 April-8 May 1981. Most of the students in this course will be from Army clubs.

16 Air Force and 14 Army club food service people (listed below), graduated from the Armed Forces Culinary Course held in Wiesbaden, West Germany, from 21 July -1 August 1980.

The Armed Forces Culinary Course is being exported in an effort

to improve the food served at clubs of all Services without the expensive travel costs associated with having students travel from overseas locations to attend the school in Maryland.

Chef Jim Crow and Assistant Chef Joe Landis are the instructors. In Europe, they were assisted by CW2 **John McLean** of CCAMD's, European Regional Office, and **CPT(P)**

**SSG Paul Bailey**  
**Joachim Brandt**  
**SFC Patrick Brisbin**  
**SSG Howard Calvin**  
**SSG James Glessman**  
**SFC Larry Justus**  
**Christa Lemere**  
**SFC Paul Matthews**  
**Ortwin Pfaff**  
**Franz Reich**  
**SFC Patrick Root**  
**Willy Schlesong**  
**SFC Richard Smith**  
**SSG Wiley Truelove**

**Jerry Hill** coordinated the course.

The Course was "enthusiastically received" by the students who came from 25 Army and Air Force installations across Europe, according to club officials. Instruction was adapted to club needs in Europe.

Plans are for the Course to be exported to Europe again in the summer of 1981.

European Regional Office, CCAMD  
European Regional Office, CCAMD  
Hanau Officers' Club  
Heilbronn NCO Club  
Berlin NCO Club  
Goeppingen Officers' Club  
Goeppingen NCO Club  
Hanau Officers' Club  
Mainz Officers' Club  
Wurzburg Officers' Club  
Wiesbaden NCO Club  
Neurnberg NCO Club  
Zweibrucken Officers' Club  
Neurnberg Officers' Club **ah**

## Waiting for the hostages at Wiesbaden NCO club

by **Tony Burton**

**WIESBADEN, WEST GERMANY**—Charley Carsten took a drink from his glass of Meister Pils beer and looked at the TV set above the bar as the news from Washington came on. A smooth character at the State Department was explaining the conditions laid down by Iran for the return of the American hostages.

Carsten, an Air Force NCO who had helped train the deposed Shah's son to be a pilot in Texas, said to the bartender, "Turn it up a bit, will ya?" Nobody else in the noncommissioned officers' club here seemed that interested. Perhaps the whole thing had gone on too long.

But Carsten was. He listened and then he said, "Dammit. We shouldn't have to put up with it. Patton wouldn't have."

At his elbow was a book about World War II. Carsten is a military history buff, and he has ideas about dealing with the Iranians. Patton ideas. "You can't bow to them like this," he said.

The dark smokey bar was in the middle of West Germany, but it could have been in Colorado, which is where Carsten came from, or New York City. Dollars, not Deutsche marks, crossed the counter. All

around were the voices of Texas and Illinois and Louisiana. There is bingo and a few steps away an ice cream parlor where you could play "Stellar Wars."

It is home to American military men based around Wiesbaden, and the military compound on which it stands will be home—temporarily at least—to the hostages if they are released.

They will be flown into the American air force base at Frankfurt, half an hour away, and then brought here to the sprawling military hospital where physicians, psychologists and nurses wait to examine and care for them.

Relatives who want to greet them will be able to stay at the next door Amelia Earhardt Hotel that houses the NCO club on its ground floor.

Outside, the hospital is surrounded with trucks and vans from television networks around the world, their cameras aimed hopefully at the grounds for a glimpse of the men and women from Iran should they appear. The situation was sensitive, with nothing definite yet from Tehran.

Carsten ordered another Meister Pils and went on talking about his trainee pilots. "The Shah's son was

good," he said. "You know, he bought a \$250,000 house just to stay at in Texas."

Great company, that Carsten. If the hostages show they might look him up. He'd make them feel they were back in the good ole U.S. of America in two seconds. **ah**

*Burton writes for the New York Daily News.*

*Copyright 1980, New York News, Inc., Reprinted by permission.*

## CW3 Wilhelm F. Krueck

**FORT HARRISON, IN—CW3 Wilhelm F. Krueck**, Officers' Club Manager here died Oct. 15 of heart failure.

Krueck, 47, was born in Germany on March 15, 1933. He enlisted in the Army in 1958 and was appointed as a warrant officer in 1972. He served three tours in Vietnam. During his service, Krueck was awarded two Army Commendation Medals, a Bronze Star, and seven Vietnam Service Medals. He was a 1973 graduate of the Club Management Course and a 1976 Executive Course graduate. Mr. Krueck also worked in clubs at White Sands Missile Range, N.M., and Stuttgart, Garmisch and Munich, West Germany. He is survived by a wife and two children. **ah**

# Draw!

## Ride 'em cowboy

WASHINGTON—Spurred by flicks like “Urban Cowboy” and “Coal Miner’s Daughter,” country discos are appearing from Dallas to Cleveland complete with mechanical bulls, country and western decor and the familiar twang of country music. Bill-board magazine reports that the country and western motif is packing them in at places like Rodeo, where 800 to 1,000 gather to listen to outlaw music of Waylon Jennings, Willie Nelson, Kenny Rogers, and Crystal Gayle while steering clear of the “crying in your beer” slow country music.

The Country-Western theme has moved east where western influence on clothes, music, and entertainment in general is “catching on” to such a degree that some former “disco” night clubs are changing their themes. Live country-western music, western decor of rough and rugged materials which are long-lasting and basic “down-home” food service of the Bar-B-Que, Chuck Wagon, Tex-Mex chile type is the pattern for success.

Some clubs are augmenting their recorded C&W with live cowboy entertainment. Other clubs are easing the transition from traditional disco by playing three or four straight disco songs every hour. A Nashville disco now regularly features a mechanical bull, happy hours, and special ladies nights. Other C&W promotions include dance contests, ladies bull-riding competition and dance instruction in such moves as the four corners, the cotton-eyed joe, the freeze and the famous Texas two-step.

In South Dakota, “Bucco’s” satisfies customers’ yearning for a home on the range. Bucco’s owner, Earnie Williams believes that the modern cowboy is the truck driver and has decorated his club with a semi-truck cab, with lights, front wheels, sleeper and CB radio. The truck’s cab houses the DJ. The club also features a set of floor lights stretching from the truck to the entrance of the club to look like highway lanes. Customers dance amidst loud country music and twirling lights.

*Riding herd on Willie Nelson, bulls, cowboys and cowgirls, trucks, punching bags, chili, and brew.*



### The bull

Across the nation, urban cowboys and cowgirls are slapping down their cash to ride a mechanical bull that tumbles and tilts players onto foam rubber pads.

The Wall Street Journal reports that suburban cowboy haunts are cropping up nationwide as traditional discos are plagued by dwindling crowds with some being converted to country nightspots.

Men and women escape at country discos by playing the macho cowboy role by riding the bull or slugging a punching bag.

Prices for the bulls rose from \$3,000 just over a year ago to over \$7,000 today.

The mechanical bull has added a new dimension to the western theme and created such interest that it has become the principal attraction and “draw” at such clubs as Gilley’s in Pasadena, Texas; Rodeo Saloon, Chicago; The Chickasaw Club, Columbus, Ga.; Electric Cowboy, August, Ga.; and Big Dipper Country Ballroom, Beltsville, Md. Rodeo riders swear by it as a training device for professional bull riders, would-be Urban cowboys (and girls) swear at it after unsuccessful attempts to ride for more than 10 seconds, and owner-operators as well as club patrons enjoy observing the action taking place in the bull arena while partaking of the other amenities of the western style scene. Mechanical bulls are “manufactured” by several companies in the United States. Two

of these are Gilley’s Bronco Shop, Inc., Pasadena, Texas and Star Bull, Inc., Opelika, Ala.

A central contract for electronically remote controlled, variable speed bucking machines has been negotiated with Star Bull, Inc. of Opelika, Ala. by the Central NAF Contracting Office of the Club and Community Activities Management Directorate. Copies of the contract and summary sheet with literature and price list have been mailed to installation club managers. The negotiated contract allows managers to order directly from Star Bull, Inc. at the best price possible. Interested managers should contact **Helen Thomas** of the Central NAF Contracting Office at AUTOVON 221-0757 or





(202) 325-0757 or contact Star Bull direct at (800) 633-1572. The "Star Bull" is an electronically remote controlled, variable speed, bucking machine. The bull is a leather covered, steel framed, electro-mechanical machine with all mechanisms hidden under the covering for added safety. The bull both turns in directional spin with instant stop and reverse and bucks slow to fast at variable speed and is totally remote controlled. The remote control mechanism is operator controlled to regulate speed and safety during operation. In addition to the remote bull control operation, it is desirable to have a second person at bull side to assist in monitoring and to aid the rider during operation.

Most operators use a cashier to sell tickets and another ticket-taker to control the riders and secure a signed release which is required of each rider should any injury occur.

The operator controls the speed and severity of the ride and passes judgment whether the rider will be able to sustain the ride without harm. So the minimum number of attendant-operators required for safe operation is three—the operator, the ticket-taker, and the helper in the arena next to the bull.

### Bull insurance

Risk Management Program officials at the Club and Community Activities Management Directorate, report that liability protection for the bull can be bought for \$2,000 per machine. Any claim payment exceeding \$100,000 would be paid from the Army Club Fund and reassessed to clubs Army-wide as an additional surcharge the officials said. In order to get insurance, there must be 10-inch foam rubber padding surrounding the machine in a 20 x 20 foot area. The area must also be clear for a radius of 15 feet around the bull. The bull machine must be equipped with an automatic "on/off" button and all riders of the machine must sign a release form.

### Promotions

To create interest and attract attention, the operators will invite a rider to "test ride" the bull early in the session. This sequence of activity not only attracts attention and provides



some familiarity with the bull in operation, but also allows for checks on the proper operation of the bull by the operator. In addition to the obvious purpose for the bull, there are many and varied opportunities to promote interest and create sales by scheduling contests, demonstrations of riding skills, and competitive events centered around the riders' ability to stay on the bull. Revenue derived from ticket sales, usually \$1 or \$2 per ride of 10 to 20 seconds, will pay for the machine and salaries. Many clubs sell such souvenir items as advertising T shirts, cowboy hats, etc.—some have established "boutiques" for the sale of all types of western wear, including Stetson type hats, jeans, belts and buckles—all

very popular items.

"Buckin Bull Ridin" has become a major attraction at civilian clubs across the country. Customers find that riding the bull is both fun and challenging—with the country-western theme increasing in popularity, Army club managers should consider expanding country-western themes and programs. Whether with "live" music or sounds from the honky-tonk juke box, the patrons, many former discotheque denizens, will be sashaying around the dance floor doing the Texas Two Step, the Cotton-Eyed Joe and Heel Toe Polka while the really macho cowboys and cowgirls are carrying on in the bull arena. **ah**

## New Arrivals

### *Attracting new arrivals to the club as members or employees*

**WASHINGTON**—Clubs within the Military District of Washington have found that a carefully planned and executed welcome to new command arrivals can reap big benefits for clubs.

Each week, the Military District of Washington's Welcome Center is the location for a seminar for new arrivals conducted by major elements and agencies within the command, according to club officials. MDW management uses this weekly greeting session as a forum for announcing club benefits. Installation Club Manager, LTC John F. Asiello, Jr., and NCO Branch Manager, SGM Edward P. Majca, present new arrivals with welcome letters and current club calendars, discuss club activities and entertainment, and answer ques-

tions from potential members.

Arrivals are also informed of the 400 jobs that are available in this club system with annual revenues exceeding \$6.5 million. Club managers express concern for the welfare of the new arrivals and urge all NCO's and enlisted people to seek jobs at the clubs and apply their talents toward earning extra money, the officials said.

E-5's and above are also informed of the personal satisfaction and sense of accomplishment that can be gained by working in the club system and are versed by Majca and Asiello on how to apply for the club management specialty. The arrivals are told about the warrant office accession program and a recently instituted Club and Community Activities Management Directorate-sponsored Program to provide on-the-job training prior to the awarding of the club management military occupational specialty. **ah**

## Hale Koa has successful year

*Net is \$476,000, 96 percent occupancy, sales \$10.5 million.*

WASHINGTON—The Hale Koa Hotel, Armed Forces Recreation Center—finished Fiscal Year 1980 with continued high occupancy and favorable financial results.

Hotel occupancy during Fiscal Year 1980 was 96 percent, surpassing the goal set at the year's outset of 90 percent. Active duty use of the Hotel increased to 65 percent (the goal was 50 percent) of all Hotel reservations and 61 percent of total room nights used (the goal was 35 percent).

The Hotel achieved a net income of \$476,000 in Fiscal Year 1980 despite a reduction of over \$750,000 in appropriated funds. \$397,000 of appropriated funds were used to maintain and repair the hotel, and

for other support costs and to pay the salaries of the three military assigned to the Hotel.

Hotel sales were up 14 percent to \$10.5 million while management was able to reduce labor costs and cost of goods as a percent of total sales.

The Hotel was placed under the direct control of The Adjutant General on Oct. 1, 1979, as recommended by an Army-employed management consultant firm that reviewed the operation of the Hotel at the direction of the House Armed Services Committee. The Committee also directed that appropriated funding for the Hotel be drastically reduced. **ah**

## Hale Koa ranked high among resorts

CLEVELAND—The Hale Koa Hotel, Armed Forces Recreation Center in Honolulu, Hawaii, with 96 percent of its rooms occupied during Fiscal Year 1979, tied for first in occupancy with the Jamaica Bay Inn in Marina Del Ray, Calif. and the Ahwahnee Lodge in Yosemite, Calif. in a survey of the nation's top 300 resorts by Lodging Hospitality Magazine, published here.

Besides the high occupancy rate,

the Hale Koa is ranked 68th in the nation with sales of \$24,038 for each of its 416 rooms in Fiscal Year 1979 and 32nd in total sales, \$10 million.

The statistics compare favorably with nationwide norms for resort hotels with 68 percent occupancy and total sales of \$4,765 per room.

The 2,783-room Las Vegas Hilton had the highest total sales: \$86,831,000. **ah**

## Sanno to Navy

TOKYO—Executive agent responsibility for management of the Sanno Hotel was transferred from the Army to the Navy on Oct. 1, 1980. Most people who stay there are in the Navy or Marine Corps.

The Hotel, previously a joint services transient billeting facility, was redesignated as an Armed Forces Recreation Center.

The Sanno Hotel was built in 1932 and obtained by U.S. Armed Forces in 1946 as part of World War II reparations.

The Japanese Government is requiring that it be returned to its owners. Therefore, in accordance with The Status of Forces Agreement, the Japanese will provide for construction of a replacement facility. Construction of the new facility is expected to begin soon for 1983 opening. **ah**

## Naija manager nets food service award

SEOUL, SOUTH KOREA—James Salerno, general manager of the Naija Hotel, Armed Forces Recreation Center received the prestigious Peter Gust Award, the highest award the International Food Service Executive Association (IFSEA) can bestow.

Salerno received the award at the IFSEA's annual convention in Los Angeles in August. He is the first Army winner and only the 25th winner in IFSEA history.

He received the award for his dedication, support, and leadership in the food service industry. Salerno is Director of the IFSEA's Western Region.

Over \$787,000 worth of food was prepared and served at the Naija in Fiscal Year 1980. The Naija is known to serve some of the best food in the Western Pacific area with many visitors making it a point to sample the Naija menu. Chefs from some of the most prestigious hotels in the Far East visit the Naija Hotel for training. **ah**



James Salerno (right) accepts the Peter Gust Award from the legendary Peter Gust during the International Food Service Executives Association (IFSEA) annual convention in Los Angeles. (Wilken)



## McClellan CAO provides professional NAFISS service

**FT MCCLELLAN, AL**—As many Army installations wade through the difficulties associated with converting from a manual accounting system to the automated system, eliciting gripes and groans from NAF activity managers and central accounting staff, it is refreshing to note that the system can work if people are dedicated to making it work.

That's the case at Ft. McClellan, AL, as the central accounting office has a positive and productive relationship with the NAFI managers its services.

The formula for success is simple, but its accomplishment isn't easy, reports Barbara Henderson, McClellan Central Accounting Officer: computer support + qualified people + dedication + NAF manager cooperation.

Good management information system office (MISO) support is "essential," says Henderson and "it helps a lot if the systems analyst in the MISO has an accounting background." And if your MISO doesn't have an accounting background, don't despair; neither did Henderson's. "We both had to learn each other's language in order to communicate," she said.

Henderson reports that, initially, working relationships with the man-

agers here was difficult, but this too had to be straightened out before the conversion to the Nonappropriated Fund Information Standard System was to work at McClellan. "We can't provide good service unless we receive courteous help and accurate information from the NAF activity managers when needed," she said.

NAF managers at Fort McClellan agree that the transition was difficult but are satisfied with the smooth relationship that exists now. Jim Green, assistant installation club manager, reports that the automated accounting system caused some disruption which he discounts as "minimal." "The system now provides

*"We both had to learn each other's language to communicate."*

highly accurate and timely information... the program is head and shoulders above the stubby pencil system we had three years ago."

ILT Barry Montgomery, Morale Support Fund Custodian is satisfied with the accounting service and cites the information as valuable in that it provides a breakout by activity and always has a current year-to-date status by activity.

Efforts to mechanize NAF accounting at Fort McClellan began

in late 1976. By 1978, most of the functions were fully mechanized. If she had to do it all over again, Henderson admits she would not have started with the general ledger module, since at Fort McClellan it would have been easier to get the subsidiary systems on line in the following order: fixed assets, inventory/stock records, accounts payable, and then the general ledger. "I would start with the general ledger for one of our smaller accounts and when that account is running smoothly and all subsidiary systems are working properly, I would mechanize the general ledger for our other accounts. Henderson also suggests that the morale support fund be saved for last because of its complexity."

She credits "organic key-punch capability" with much of success of NAF automation at Fort McClellan. This capability allows clerks familiar with the system to input to the system directly from source documents (daily activity reports, requisitions, charge tickets, accounts receivable payments, etc.) eliminating tedious and time-consuming preparation of coding sheets.

Henderson is also quick to point to the helpful assistance provided by the US Army Finance and Accounting Center which is proponent for the automated system. "Fred Schrecen-

*"...system now provides highly accurate and timely information..."*

gost and other USAFAC people always had time to offer support and technical assistance to the CAO to get the job done." Another key to McClellan's success has been the positive attitude of the installation director of resource management toward ensuring that the CAO received all of the financial and personnel resources necessary to implement the automated system.

"The software for the system is excellent," Henderson said. The key is cooperation, support and above all... patience," she emphasized. **ah**



At the Fort McClellan Central Accounting Office, Martha Waldrip, accounting clerk, and Doris Bussey, accountant, review Nonappropriated Fund Information Standard System output. McClellan NAF activity managers report good service from the office which attributes its success to dedicated employees, organic key-punching, and communication and cooperation with the installation management information system office and NAF activity managers. (Beuckens)

## \$4 million Harnack House renovation nears completion

**WEST BERLIN**—The historic Harnack House Officers' Club here, temporary home of such notables as Albert Einstein, is nearing completion of a \$4 million renovation designed to retain the club's elegance while streamlining the facility for the reality of the 1980's.

The past elegance turned out to be a dubious blessing since the club was designed during an era when labor was inexpensive and plentiful. Labor costs went up and when it came time for renovation, managers decided to keep the historic elegance while making the kitchen and other work areas

as labor-efficient as possible, according to **MAJ Paul Herrick**, Chief of Facility Improvement at CCAMD's European Regional Office.

Herrick explained that the renovation of the Harnack House was paid for and built by the Federal Republic of Germany under an agreement that provides for that government to make facilities available for Americans serving in West Berlin.

Club rooms provide a varied atmosphere. Breakfast and lunch are served in a garden gazebo atmosphere, complete with trellis walls and plants. Dinner is served amid mir-

rored ceilings and paneled walls which reflect the brilliance of silver candlesticks and flambe. The elegance continues into the ballroom and three party rooms with Italian chandeliers and several oriental rugs, Herrick added. These rooms are further graced with new furniture and upholstered walls of velvet and Italian cotton damask.

Work continues on the club's entrance foyer and cocktail lounges and a baroque winter garden with completion scheduled for the summer, 1981. **ah**

## A new Fort Meade Officers' Club

**FORT MEADE, MD**—Over \$3 million will be spent providing officers and families here with a new 22,500 square foot officers' club. The club will be predominantly Early American in motif with a Chesapeake Bay and Georgian style interior. It will include a dining room, 5,700 square foot "collapsible" ballroom, formal and informal bar, and party rooms. Ground is expected to be broken in February 1981 for the facility which is expected to take one year to build.

The new club will feature an automatic beverage dispensing system, an energy-efficient kitchen, and a computerized energy saving hook-up wall for the main cooking battery, according to **John Dipol and Jim Lindamood**, Club and Community Activities Management Directorate club design team.

An "L"-shaped ballroom will allow flexibility for small parties or a 600-seat function. It will be able to be partitioned using high-quality moveable wall panels. All rooms will be serviced by a "hidden" service corridor and a banquet staging area. The decor will be traditional with a large pattern Wilton Weave carpet and traditional chandeliers with recessed ceiling areas and colonial moulding, Dipol said.

The dining room will have a greenhouse theme with a glassed-in extension, and lattice ceiling with recessed ceiling fans. The club will have lots of plants and use stained glass throughout its formal bar, he explained.

The formal bar will have a "Brass Station House" motif. The lobby will have a skylight and gazebo to greet members. /

Dipol said that the Fort Meade design incorporates the latest state-of-the-art in club design, equipment and furnishings. **ah**

## Redstone Officers' Club to be built

**REDSTONE ARSENAL, AL**—Managers here are preparing plans for a new officers' club. Project scope calls for a ballroom to be surrounded by formal and informal bars, party rooms, and an up-to-date kitchen.

Construction of the facility is expected to begin in 1981. Design work will be done by the Club and Community Activities Management Directorate. The project is expected to be accomplished using turnkey contracting procedures. **ah**

## O'Club to be renovated

**FORT LEAVENWORTH, KS**—The Fort Leavenworth Club System is dedicating over one half million dollars to the renovation of the Officers' Club over the next several months according to officials.

"The renovation will provide the patrons with a first class facility," **Major Lane E. Mills**, installation

club system manager said, "At present the decor in the club is that of the early 1950's and the renovation will do two things for us. The obvious is that we hope for an increase in patronage and secondly to make the club a place the patrons will be proud to bring friends and make it a show place for all."

Funding for the project is a combination of appropriated funds and a 12-year loan from the Army Club Fund.

"The construction is to be done in three phases so we do not disrupt service to our patrons," Mills said.

The renovation will include removing some of the existing walls and constructing new ones, building storage areas, begin the initial minor construction for a new party room, add new office area, plus a few other minor changes," Mills said. "The addition of new office space will allow the club system offices to eventually move into the Officers' Club.

Design for the project was done by the Club and Community Activities Management Directorate, TAGO. **ah**

*Adapted from O Club to be renovated, by Ed McCarthy, Staff Writer, Fort Leavenworth Lamp.*

## 157,000 dependents

**FRANKFURT, W. GERMANY**—As of July, 1980, Army dependents in Germany totaled 157,000, according to Army officials. **ah**



## Better club facilities coming to Darmstadt soldiers

### DARMSTADT, WEST GERMANY

—Work has begun on a \$509,000 renovation project that will give the Darmstadter Officers' Club a facelift within the next five months, while Darmstadt enlisted are expected to see nearly \$1.5 million in improvements to the Main NCO Club.

According to Area Club Manager **MAJ Nicholas Burke**, "basically what we're doing is taking an old building and turning it into a new one."

A year and a half of planning, negotiating and bidding between the community and contractors went into the project that will include two new lounges, a dining room and moveable partitions, to divide the spacious club. An 80-seat lounge will be next to a dining area that can be closed off from the lounge for private parties. This room will have seating for at least 80 diners.

A kitchen will be installed with all new electrical wiring and ventilation while the entire club will get a new heating system.

According to project designer **Walter Fischer** of the Community's Directorate of Engineering and Housing, the renovation will also include new carpeting, paneling, wallpaper and lighting.

Limited funding caused renovation of the Rainbow NCO Club to be delayed temporarily. The club was originally scheduled to receive \$1.5 million in floor, ceiling, kitchen, heating and electrical improvements but bids received were too high, the lowest being 40 percent more than club officials expected. The project scope and funding alternatives are being reviewed so the much-needed improvements can get underway.

### Fire damages store

**FORT BRAGG, NC**—Lightning immediately ignited the recently-renovated Fort Bragg Pines Package Beverage Store. There were no injuries but damage to property and inventory is expected to exceed \$100,000. Fort Bragg club officials are planning to replace the store which had sales of \$200,000 per month prior to the September fire.

Customers lined up for hours outside the ROTC lounge here to pur-



Area Club Manager **MAJ Nicholas Burke** discusses design changes with project designer **Walter Fischer** of the Darmstadt engineer's office.

The Officers' Club was built in 1936 as a riding arena. It was converted to an officers' club in 1948 and has not been renovated since 1953. The NCO club has not received a

major renovation since it was designed and built as an NCO club in 1953. **ah**

*Adapted from Club undergoes changes by Joe D'Acuto, staff writer for Darmstadt's About Town.*

## Fort Buchanan builds community club

### FORT BUCHANAN, PUERTO RICO

—Final plans are being reviewed for construction of a new 37,000 square foot community club here. Plans are for a 6,700 square foot ballroom to be surrounded by a cafeteria, party rooms, lounges, discotheques and dining areas, according to club officials.

Designer **John Dipol** of the Club and Community Activities Manage-

ment Directorate, TAGO said that the club will have the latest state-of-the-art equipment and energy saving devices."

The club will carry a classical Spanish motif with traditional tile accent roofing and will be conveniently located near the package store and a new post exchange, and commissary. **ah**

## Terrace club continues improvements

### FRANKFURT, WEST GERMANY

—The Terrace Club here is in the midst of an extensive renovation affecting all major areas of this popular Frankfurt club facility according to club officials.

"The \$450,000 project will employ earth tone colors said **MAJ Jerry Jackson**, former Area Club Manager." It will also have new furniture, carpets and a permanent cafeteria line. The renovations are being phased to avoid operational interruptions.

An unusually high ceiling in the club's dining room will be "visually lowered by about one-third through the use of large, suspended, hexagonal lights with stained glass on one side." Now 50 percent complete, the 350-seat room will have a new hexagonal bar, dance floor, stained glass windows, and interrupted by rows of plants.

After the dining room is completed, carpet, wall paper, drapes, and lights will be installed in the club's ballroom and central lobby, the officials said.

Design work for the project was done by the Club and Community Activities Management Directorate, designer J.R. Miller with the intent of making the club "more efficient and improving the aesthetics." **ah**

chase alcoholic beverages at reduced prices from the Fort Bragg Package Store during a "fire sale" on beverages that survived. Most of the remaining stock was gone by noon. **ah**

## Need to build? Here's how

*You need a new or renovated facility. It's in the budget. But, where do you start? What paperwork needs to be completed? How do you get approval? This article discusses these subjects and more in an effort to familiarize managers of MWR facilities on how to get the job done.*

WASHINGTON—The Office of The Adjutant General, major commands and installations are involved in an effort to energize the MWR construction program by maximizing all available appropriated and nonappropriated fund facility improvement resources and getting these funds committed toward answering an estimated \$1.5 billion MWR capital expenditure requirement to provide quality MWR facilities needed for today's Army.

Emphasis in this area was manifested at the Army MWR Review Committee Meeting held this September. There, The Adjutant General and major Army command representatives agreed to develop a five-year MWR budgeting and construction program synchronized with appropriated fund procedures beginning in Fiscal Year 1982. They also agreed to meet each year to review and approve the NAF construction budget and meet this March to validate execution of projects and move projects between funded and unfunded categories based upon degree of execution. Along with other construction-related decisions, the Committee members agreed to ensure proper and timely execution of NAF capital expenditures and major construction programs, and use standard designs wherever possible to ensure speedy execution of MWR projects.

With this kind of DA and major command interest in the construction area, it won't be long until the facility improvement emphasis ripples to installations and to the MWR activity managers themselves.

MAJ Fred Lee is Chief of the Facilities Branch at the Club and Community Activities Management Directorate, TAGO. He said many projects included on club capital expenditure budgets that are regularly received at the Directorate never get started or completed. "Several projects received by CCAMD for approval are accompanied by a revised capital expenditure budget which is the first indication of any project planning," he said.

### Three improvement categories

Improvement projects are categorized into nonstructural renovation, major renovation and structural renovation or new construction, Lee said. Nonstructural renovations are basically repair and maintenance: worn-out carpet or peeling paint, torn wall covering, or broken furniture. Clubs should be refurbished on an average of every 3-5 years, according to Lee who added that, to decorate does not mean structural changes, because structural changes alter the rooms and therefore require more planning. "The idea behind nonstructural renovation is revenue maintaining and not revenue producing."

---

***Managers should not stop designing the project while approval is being sought.***

---

Many unsightly areas never get redecorated because they are part of a large scheme that suffers from structural deficiencies or lack of capital to get the whole job done, according to Lee. He suggests managers meanwhile decorate at least one room or area each year, or by budgeting only one percent of sales for interior decorating, physical change can occur while accumulating funds for a major renovation or construction or a new facility.

Another category, major renovation, is for long, overdue maintenance and repair requirements that involves design assistance for redeco-

rating, such as resurfacing walls and replacing wall covers throughout the club rather than just one room at a time. With major renovations, the soundness of the structure is important. "If a manager is going to replace carpeting throughout the club, the floor should be sound," Lee said. "Another example is the removal of walls that may contain electrical or plumbing lines." Before a major renovation involving structural changes, the manager should work closely with the facility engineer to make sure what he or she is getting into, Lee explained.

### Doing your homework

Regardless of the type of project, getting it off the ground is a difficult but rewarding task, one that reaps dividends for members and managers alike in the years ahead.

The initial phase of a structural renovation or new construction involves gathering information. This information gathering process is called a predesign analysis and feasibility study. It can be conducted at the installation, using the expertise of management, engineers, and resource managers at the command. Feasibility studies can also be performed under contract with an architectural and engineering firm. Fees charged are in direct ratio to time involved

and this service is usually in addition to the standard six percent of the construction costs usually charged for design services. If properly conducted, management can accomplish satisfactory results working locally at the installation toward gaining an appreciation of their needs and the feasibility of accomplishing those needs in a facility, Lee said.

He explained that information gathered for a project falls into two categories: functional requirements and project prospectus. Functional requirements are those activities for which space is provided in a facility. A project prospectus is the income



and expense relationship that a revenue-producing activity will have within the facility. Here, proposed building sites and distribution of the installation population is a factor. Through surveys and past experience, management can get an idea of what will be the most popular desired activity in the proposed project.

A matrix on page 7-3, Design Guide 1110-3-134, shows how each function must relate to each other activity in the building, according to Lee. "It's a good idea to articulate in writing what management expects out of the facility and gain the consensus of the installation command," Lee said.

The description of each functional area constitutes this project prospectus upon which a model can be built. This model identifies space allocation, equipment and staffing requirements. The project prospectus can also be used for income and expense forecasting to compute pay-back capability on equipment or return on investment for the total project.

Specialized requirements of the type of facility must be considered in determining its size or form. The overall layout must provide for these specific features. For example, in a foodservice facility, an important factor in determining the adequacy and arrangement of the facility and equipment is the menu. Coupling the extent and form of the menu to be offered with the forecasts of consumption of each item and the turnover rate of patrons, it is possible to determine the required size of the facility and the type and the amount of equipment.

## Developing space plan and line drawing

Now, the layout scheme and overall space requirements can be developed.

Using the matrix and the project prospectus, a single line drawing or space plan can be developed. The space plan can be related to the site plan, parking, and utility requirements. Site plans must be included in the installation master plan and be approved by the Army Corps of Engineers.

The facility site plan must be cleared by the installation planning board. This plan is sent to Department of the Army through the major command. HQDA reviews the master plan for technical sufficiency and site appropriateness. The approved plan is then returned through the major command to the installation.

The space plan should be compared to the Department of Defense Construction Criteria Manual (DODM 4270-1M). Proposed facilities which exceed the space criteria must be justified when submitted to HQDA prior to approval.

Next, Lee said, management and facility engineers should prepare the cost estimate or current work estimate for the total amount to be incurred by the NAF activity. Architectural and engineering design should be estimated at six percent of the project cost. Project administration, supervision, inspection, and acceptance should be estimated at five percent of the project cost. Project cost should also provide for inflation or other contingencies. Guidance is available in AR 415-17. The source of funding and project must be approved as outlined in AR 210-55. "A concerted effort should be made at every level to apply the maximum appropriated funds authorized as well as locally available nonappropriated funds before applying for limited NAF resources at Department of the Army," Lee emphasized.

## NAF project approval

For NAF projects, Department of the Army has delegated certain funding approval for smaller MWR projects to the major command and installation levels.

NAF activities that are operated under the provisions of AR 230-1 or AR 230-60 should submit projects for facility improvements in accordance with annual budget guidance letters issued by HQDA. CCAMD, TAGO exercises project approval authority for facility improvements using NAF exceeding \$100,000. These projects are reviewed on a case by case basis.

Major commands approve projects using less than \$100,000 if the

project has been included in the capital expenditure portion of the annual requirements budget and if local funds are available. Projects involving full-line food and beverage service must be reviewed by the CCAMD regional office that supports that major command.

Installation commanders can approve projects using less than \$10,000 NAF if the project is included in the capital expenditure budget and if local funds are available.

Fund custodians or managers can approve projects using less than \$2,000 NAF in CONUS and \$5,000 overseas if it's in the budget and approved by the installation commander.

Approval authority may be extended to the installation if bids received are not more than 25 percent of the authorized amount. If it's more than 25 percent, it must be reviewed at the next level.

Projects should not be subdivided to reduce the dollar amounts to lower the approval level.

Minor maintenance projects less than \$500 do not require project documentation.

Projects for new work (alteration or construction), or maintenance and repair over \$500 need to be documented on an Individual Job Order (IJO) reflecting approval from the facility engineer and the reason NAF is being used. The approved IJO should be referred to in the capital expenditure budget.

If the project is going to cost over \$25,000, a DD Form 1391 must be used. This should be submitted with the capital expenditure budget. Also, projects over \$25,000 must be reported as outlined in AR 420-21. Construction costs should be reported separately from repair and maintenance costs for the same facility. Engineering estimates may be used to determine the costs applicable to the construction portion.

Projects costing over \$300,000 will not be placed under contract or work started until the project has been included in the semi-annual NAF Construction Project Report submitted by HQDA for review in advance by Department of Defense and Congress has been notified of the pro-

posed construction project. Requirements for these projects should be supported with the same data required for minor construction outlined in Chapter 5, AR 415-35. Funding must be approved prior to submitting the proposed NAF construction report.

Projects submitted by overseas commanders must consider International Balance of Payment determinations (Chapter 6, AR 230-1).

Managers should not stop designing the project while approval is being sought.

### **Appropriated funding**

The Fiscal Year 1981 Morale Support Fund budget guidance contained the draft DOD guidance on the source of funds to achieve construction of each type of facility. The policy is applicable with FY 81 approvals and applies to work submitted under the Military Construction Program (MCA). It does not apply to projects funded from operation and maintenance, Army (OMA), minor construction or other appropriated fund sources.

CCAMD, TAGO, has issued an annual budget guidance letter that requires total cost to be shown for those projects using NAF and appropriated funds (OMA). Approval authority limitations on minor construction projects and repair projects using appropriated funds can be obtained from the local facility engineer.

Requests for approval of construction projects using a combination of NAF and appropriated funds should be submitted to HQDA (DAEN-MPE) in accordance with paragraph 4-1, AR 415-35 for forwarding to Department of Defense.

### **Loans**

The Army Club Fund provides interest-free loans to assist in funding club construction, modification, expansion, and maintenance and repair of facilities. Chapter 13, AR 230-60 tells how to apply. The USA-REUR Club Fund also provides interest-free loans to clubs there.

Since these are revolving funds, it is important that loans be repaid as soon as possible so that repaid proceeds can be made available to other clubs. Investments are limited to

amounts within working capital requirements not immediately required to satisfy cash needs, and funds invested in sinking funds. Funds in excess of current working capital requirements and sinking funds must be applied toward repayment of outstanding loans.

### **Contracting**

Once the feasibility of the project is sound, and all factors, forms, figures, and final approvals are proper, contracting may begin. Regardless of the source of funds used, the installation director of facility engineering must become involved. Contracting outside of the United States may be accomplished by competitive negotiation using trained procurement people. Generally, the local engineers can accomplish work and be reimbursed from NAF for work under \$100,000.

The district or division engineer will administer projects for a percentage (5 percent CONUS, 6.5 percent overseas) of the project cost to cover administrative expenses. This percentage does not include cost of design, or pre-design analysis. This type of contracting support has been used since 1975 and will continue to be a principle construction method for new-work projects costing more than \$300,000. The Corps of Engineers is used for all overseas projects that are centrally funded by The Office of The Adjutant General. Nine of the Fiscal Year 1980 morale support fund projects were handled under this arrangement.

The third alternative is the TAGO Central NAF Contracting Office. This office provides for one-step design and construction of MWR facilities. CCAMD coordinates with the Corps of Engineers and assists in determining government-furnished or contractor-furnished materials. Purchases from NAF can be made directly from US manufacturers and shipped to the installation in accordance with a milestone schedule arranged as part of the design review.

The TAGO Central NAF Contracting Office specializes in handling the construction of new Army Clubs which have complex food and beverage service operations and do not lend themselves well to standard

definitive drawing such as swimming pools or craft shops. Lee said that, due to limited staffing, his staff concentrates on new construction but recently some major renovation projects have been undertaken. Projects done by this office are call turnkey. Turnkey is a construction concept whereby a project is awarded to a general contractor to design, construct and equip a complete and usable facility. Once the user requirements resulting from market feasibility studies, installation master planning and reporting requirements are met, the NAF Contracting Office contracts with a general contractor for design and construction. The design must be approved by CCAMD prior to starting construction. Once approved, CCAMD monitors construction and works to purchase NAF-funded equipment direct from the manufacturer using central contracts with "advantageous prices," he said.

He said turnkey construction costs are usually lower than engineering estimated costs and procurement lead time has been reduced 50 percent over more conventional construction methods. He noted that time is especially important in revenue-producing activities such as clubs and bowling alleys.

Twelve construction and renovation projects costing \$12.5 million were completed in FY 80, including \$7.5 million in club projects. The other \$5 million represented morale support activities construction and renovation projects such as swimming pools, auto craft centers, skill development centers, bowling centers and a ski lift.

CCAMD, TAGO also offers interior design consulting services for club renovations at no cost to the activity. Designers can provide a color rendering of the proposed finished product, a floor plan arrangement to show furniture and equipment placement, or write detailed specifications and samples for all furnishings and equipment within the amount budgeted. After approval, all items can be ordered directly by the Central NAF Contracting Office and shipped directly to the installation. Upon receipt of the material, a service contract can be



executed with a reputable contractor, GSA contract, or the facility engineer can install paint, paper, or panel. If there is a question as to how to put it all together, the designer, given sufficient notice, can be onsite to overcome obstacles.

Interior design service is available through all CCAMD regional offices. This service can also be extended to providing recommendations for equipment replacement in kitchen or bar service, which can be built into an overall improvement program as NAF or appropriated fund resources become available. "Because our staff is limited, it is critical that installations be committed to complete work once assistance is provided," Lee said. "We simply can't waste time on a project which is dropped at the installation level after our work is completed."

---

***"...our staff is limited... we can't waste time on a project which is dropped at the installation level after our work is completed."***

---

According to Lee, 50 requests for design assistance were received with 33 being completed during Fiscal Year 1980. Also in 1980, standard designs were developed for medium size officers' club and enlisted clubs. "These designs with modifications for local needs are being used in five major construction projects," Lee said.

## Europe

NAF facility improvement in US Army, Europe has increased in

recent years with the notable increases in the club area. In Fiscal Year 1980, \$7.8 million in improvements was accomplished as part of "project upgrade" according to LTC **Richard Ross**, Chief of CCAMD's European Regional Office. This compared to \$2.7 million the year before and less than \$1 million in Fiscal Year 1978.

Procedures for accomplishing construction in US Army, Europe are basically the same, except that the Central NAF Contracting Office's turnkey procedures must be modified to be feasible there.

Managers in Europe should be familiar with the facility improvement aspects of AR 230-60 and the USAREUR supplements, AR 230-1 and the USAREUR Supplement 1, AR 210-55, AR 415-35 (Minor Con-

struction, Appropriated Fund and appropriated fund/NAF mixed) and USAREUR Supplements 1 and 2. Also, DA Pamphlet 27-154 and USAREUR Pamphlet 230-1 apply. Request for financial assistance should be forwarded through the major command and CCAMD's European Regional office to CIN-CUSAREUR (AGEA—RN) 45 days before the USAREUR Club Fund Council meets. This Council determines the amount of interest-free loan and the payback schedule. **ah**

## Korea construction may get needed impetus

**SEOUL, SOUTH KOREA**—Long-neglected morale, welfare, and recreation facilities in South Korea will be getting attention soon as part of a program to improve facilities there.

CPT **John Jefferis**, of the Korea Regional Office of the Club and Community Activities Management Directorate explained that Eighth U.S. Army surveyed its MWR facilities prior to the recent meeting of the Army MWR Review Committee. This review indicated a "tremendous

need to improve facilities," according to Jefferis.

In another development, CCAMD has recently hired an interior designer who will work out of the Korea Regional Office assisting clubs in non-structural renovations. Meanwhile, arrangements have been made for the CCAMD's Washington Office to review 35 percent-design packages for clubs in Korea. "There just isn't an architectural and engineering firm in South Korea with food and beverage expertise," Jefferis said.

He said that one-year assignments to Korea impede the facility improvement process, citing an example of a project that received

four different designs because of management and command turnover.

He said that Eighth Army is attempting to energize clubs to get their projects into installation master plans earlier in the planning process. Also, Eighth Army MWR officials are considering publishing a booklet for managers, describing construction procedures.

"A manager now has to totally divorce himself from operations to concentrate on a capital improvement project," Jefferis said. Also, 1 year assignments just don't allow enough time for them to get used to operations and many prefer to let their replacement worry about facility improvement efforts, he said. Along these lines, consideration is being given to enhancing continuity providing 2-year assignments at selected locations providing there is adequate family housing, Jefferis said. Club officials in Korea are looking at ways to streamline the system to expedite needed club projects, he added.

Jefferis explained the Korea construction process. The first step for getting a project done is to contact the area facility engineer and get on the installation master plan. Then the manager has to prepare single line drawing, possibly with the area engineer's help. The Facility Engineer Activity, Korea at Eighth Army then prepares a cost estimate and determines whether it is feasible to go ahead with the project. The project is then prioritized at Eighth Army for design and contracting. Because of the command priorities, Jefferis urged managers to fully justify needed projects. Facility engineers in Korea have a limited design staff according to Jefferis and there are only four commercial architectural and engineering firms available in Korea that can be used, since firms must be joint American-South Korean ventures.

Despite all of the MWR construction hang-ups, managers in Korea have met with some facility improvement success. A renovation project has been completed at the Crossroads Club in Yongsan (see article in this issue) and a \$110,000 renovation project is getting underway at the

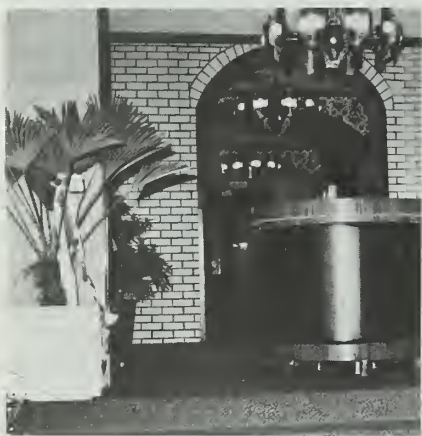
Hill Top Club in Taegu that will expand the kitchen, ballroom, and game rooms and relocate the lounge. The project was coordinated by MAJ Arpad Szurgyi, former Area Club Manager.

Self-help projects are also getting

## Refurbished Crossroads Club opens

**YONGSAN, S. KOREA**—NCO's and enlisted people at the US Army Garrison, Yongsan, were the guests of honor recently as the Crossroads Club opened its doors after a four-month \$262,000 renovation.

While nibbling on free food, listening to live bands, and watching a floor show, soldiers and guests toured the new facility that included lighted disco floor (claimed to be the only one in a military club in Korea), an enlarged entranceway and foyer, an expanded cocktail lounge, stained glass windows, discotheque equipment, and replacement of all furniture. ah



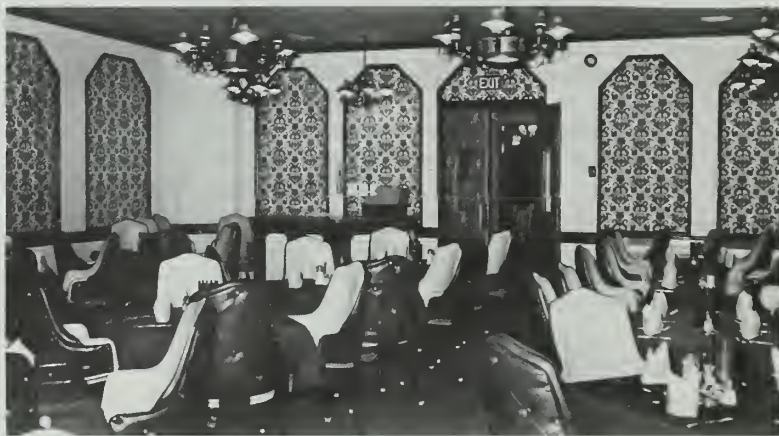
the job done as 2nd Infantry Division managers have their own carpenters and maintenance men to fix-up the over 50 clubs within that system.

At Camp Red Cloud, CPT Brady Lawrence, Combined Field Army Area Club Manager just finished a

self-help disco project. Jefferis said that projects being considered "down the road" are a community club at Camp Carroll and at Camp Humphreys. Also under consideration is the use of pre-engineered club buildings to serve soldiers in Korea. ah



NCO Branch Manager MSG Frank C. Grosspietsch (right) and Crossroads Club Manager SFC James Stanyard proudly stand outside the newly renovated facility.



## Fort Irwin bowling center upgrade

**FORT IRWIN, CA**—\$225,000 worth of modifications are underway at the bowling center which will receive 10 new lanes and new equipment as part of a turnkey renovation.

Design for the center's snack bar area was by Jim Lindamood, Club and Community Activities Management Directorate designer.

Morale, welfare and recreation facilities are important to this isolated post which is 35 miles from the

nearest major town.

The 470,000 acre installation will be transferred from the California National Guard to US Army Forces Command in July, 1981, and designated a National Training Center for live-fire exercises and force-on-force engagements.

Club-operated facilities there include a 7,500 square foot NCO club, a 8,500 square foot officers' club and a package store. ah

**It's a club,  
not a motorcycle**

**WASHINGTON—FLOOM, BOOM, VROOM, DOOM, KABOOM:** It almost sounds like someone starting a motorcycle, but these acronyms are still used to name many clubs. The correct terminology is not Fort Apache Officers' Open Mess (or FAOOM), it's the Fort Apache Officers' Club or FAOC.



## Hale Koa undergoing \$3.5 million renovation

**HONOLULU**—A \$3.5 million facelift is almost completed at the Hale Koa Hotel, Armed Forces Recreation Center.

Project Designer **John Dipol** of the Club and Community Activities Management Directorate, TAGO, described the many changes occurring at the facility which is located on Waikiki Beach. "The overall design approach was to brighten the existing areas, add natural local materials and plants wherever possible, and to completely eliminate all brown, grey or otherwise drab colors that were prevalent throughout the hotel before it was refurbished."

Each of the Hotel's 416 guest rooms on all 13 floors is receiving new furnishings, drapes and bedspreads, wall coverings and carpeting. Hallways and elevator lobbys are receiving new wall coverings and carpet. Dipol said that only the highest quality materials are being used in the process.

The room renovation was accomplished with minimal operational interruption with contractors and management working closely to maintain the Hotel's high quality standards and ensure guest comfort while the work proceeds. Despite the room overhaul, the Hotel continued to have over 96 percent of its rooms occupied in Fiscal Year 1980.

The Hotel's lobby is scheduled to be renovated as soon as a sliding glass wall enclosure is installed to reduce the wind which is now funneled through the open-air area. New furnishings and two large kidney shaped rugs depicting a warm tropical forest scene, and plants will be installed to "soften the current stark look and add to the natural indoor-outdoor look," Dipol said.

The Hotel coffee shop, lounge and dining room also were included in the facelift. The Warriors Lounge received new chairs, tables and booths, plants, blinds, and two murals depicting Hawaiian warriors, according to Dipol. Exterior lighting was suggested to light exterior bamboo plants and plans are to install a large antique warriors canoe in the lounge.

Hale Koa guests now dine in re-



**Hale Koa Warrior's Lounge received new furnishings, wallcovers, a mural and plants as part of a \$3.5 million renovation of the Armed Forces Recreation Center.**

juvenated chairs; Wilton weave carpet, and other fine accessories round out the room's decor. The Hotel's Coffee Shop is now deco-

rated with fine wood, and new art work. Dipol said that this area will have additional improvements in 1981. **ah**



# Multi-club

**FORT STEWART, GA—** Sprawling Fort Stewart allows plenty of room for the 17,000 24th Infantry Division soldiers to train but little else in the way of suitable, convenient off-post clubs and eateries.

So, when the new Fort Stewart Community Club opened recently, it was a welcome sight for soldiers who normally would have had to travel over 40 miles for a night on the town at the nearest metropolitan area, Savannah, GA.

Club members can now avail themselves of a variety of Army club services under one roof. The \$3.3 million dollar 52,000 square foot facility's design is duplicated on two sides of the club, affording NCOs and officer's similar services. On each side of the club is an entranceway, formal lounge, discotheque, dining room, party rooms, game rooms, and foyer.

The dining rooms share a common kitchen with up-to-date equipment; all Stewart soldiers can now order food from a fast food carry-out located on one corner of the club building. The NCOs and officers share a ballroom which can be partitioned to allow for both to have their own functions at the same time. A common warehouse supports both the NCO and officers' side of the house along with a package store located in another corner of the club. A cafeteria-style line serves lunch.

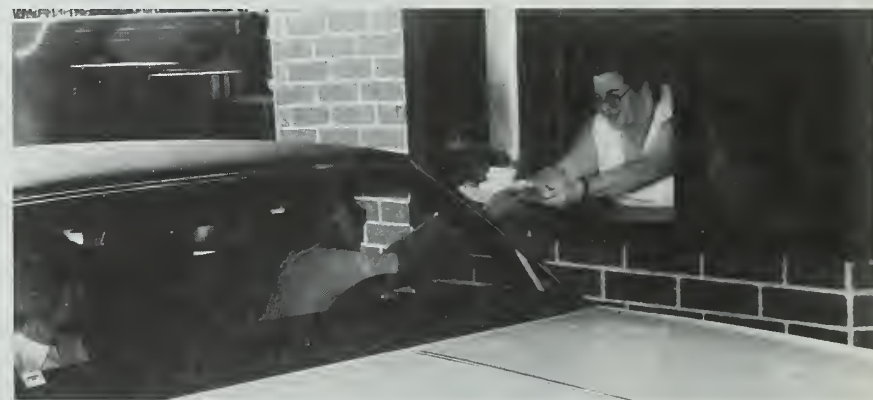
All club rooms are well-appointed with plush carpeting, plants, and comfortable furniture and with well-coordinated interior design.

Building the club was not an easy task with much of the planning done by **MAJ Bill Mullins**, former Installation Club Manager. The club was built using the turnkey concept which provides for a general contractor to design, build, and equip the club. A \$2.1 million interest-free loan was provided by the Army Club Fund. **LTC Doug Holtz**, Mullins' successor as ICM, is the winner of the 1979 James A. Carroll, Jr. Award for Club Management Excellence. He said the new club has increased sales from what the two buildings it

*Stewart soldiers don't have to go into town for a night on the town*



The Fort Stewart Community Club, as seen from the officers' side, was built using the turnkey concept at a cost of \$3.3 million with a \$2.1 million interest-free loan from the Army Club Fund. Fast food drive-through is on the left.



Employee serves fast food from the club's carry-out window.



Fort Stewart soldiers need plenty of room to train... and that means they live 42 miles from the eateries and clubs of Savannah, Ga., the nearest large metropolitan area.



replaced were generating: \$113,000 compared to \$70,000.

The three NCO/enlisted clubs, one officers' club and the new consolidated club had combined sales of \$4 million in Fiscal Year 1980.

Holtz described the Fort Stewart community club concept which provides for lumping all money of all branches into one pot. "The whole system is one branch. We operate off one checkbook, have one fixed asset roster, one bottom line, etc. We are still able to identify where problem areas are and to identify profit centers because financial statements break out the annex data.

With a monthly loan payment of \$14,000 and depreciation of \$10,000, the club has to make money and keep expenses down. **MAJ William Ginac**, assistant ICM, said that the club is adjusting its menu, combining bingo and big name entertainment nights in the 650 seat ballroom, and having more specialty nights in the ballroom such as buffets, Monte Carlo nights, soul nights, and other "large scale" activities open to all ranks.

Club manger **Bob Tunkel**, formerly a manager for the Red Lobster Company, said that the club people were hired for their personalities and "we expect them to generate the atmosphere we are trying to accommodate."

The club has eight bars, each serviced by an automatic beverage dispensing system that is labor efficient and provides instant inventory and portion control.

The club has a documentor system that keeps tabs on the amount and type of food served, even telling management what time sales occur.

Each of the club's two formal bars has a fireplace, comfortable lounge chairs, tables, and a colored glass rack above the bar.

Holtz who also is responsible for two clubs at Hunter Army Airfield, commented that many of the things the Fort Stewart System is doing wouldn't have been possible without the support and interest of the MG James F. Cochran, 24th Infantry Division (Mechanized) and Fort Stewart Commanding General.

Sales trends hold true at the club with the NCO side having more bev-

erage sales and the officers' side having more food sales.

The new club is popular for private parties with rooms booked months in advance.

There are no dues for NCOs and enlisted people while officers' pay from \$6 to \$13 a month, depending upon rank.

Sales at the fast-food drive

through window have averaged about \$12,000 per month.

The club's system also has two highly profitable NCO enlisted annexes. One, managed by **MSG James Killings**, offers all-night disco and late night food, the other, the Warehouse, built with engineer self-help and managed by **SSG Richard Sussman**, offers a limited menu, disco and games. ah



**Frank Kann**, (left) technical club assistance expert from the Club and Community Activities Management Directorate, TAGO with **MAJ Bill Mullins**, former installation club manager and prime mover behind getting the project complete.



Members gobble down the goodies at the club's grand opening ceremony.



Cocktail lounges are well-appointed with plants and fine furnishings.

# Capital expenditure budgeting: some decision-making tools

by 1LT Doyle Johnson

*Millions of soldier dollars are spent each year upgrading morale, welfare, and recreation facilities. When this money is poorly spent, the soldier suffers. It is, therefore, critical that management make capital expenditure decisions by carefully analyzing the costs and benefits of a planned capital outlay.*

*Club managers should carefully analyze capital expenditure needs and tailor club net income goals to meet these needs.*

**FT BENNING, GA**—The attractiveness of any capital outlay depends on (1) ability of the activity to pay for the investment, (2) the earnings potential or labor savings potential of the investment and (3) the loss of

interest that could have been earned if the money had been invested instead of spent on a capital outlay. Several methods can be used that consider one, two, or three of these factors.

## Payback Potential

A manager can simply weigh the benefits of an investment against the amount of time needed to recoup his money.

Assume that a fund manager is considering purchasing equipment that he anticipates will generate \$2,000 per year. The machine costs \$7,500. A simple calculation reveals that the payback time is 3.75 years:

$$\frac{\text{Capital outlay (\$7,500)}}{\text{Cash flow earning potential (\$2,000)}} = \text{payback time (3.75 years)}$$

The payback model is most widely used because of its simplicity. However, while providing some clues to profitability (if two investment alternatives have the same payback time, the one with the longest useful life

will be more profitable), it does not address the profit-making potential of a capital outlay, only the length of time needed to earn the money back. Despite its shortcomings, it is preferable to management guesswork.

## Return on Investment

However, managers should not only consider the length of time needed to pay for a capital expenditure, but also its earning potential. This can be done by computing the relationship between anticipated income from the expenditure and the money required to make the purchase.

Using the same piece of equipment as an example, compute as follows:

$$\frac{\$2,000 \text{ (increase in cash flow)} - \$750 \text{ (depreciation)}}{\$7,500 \text{ (capital outlay)}} = 17\%$$

Thus the proposed investment would yield an anticipated annual return of 17 percent. Straight line depreciation was assumed as required by AR 230-65, *Nonappropriated Funds-Accounting and Budgeting Procedures*.

This method has an advantage over the payback model in that it considers profitability but it ignores interest lost resulting from the worth and earning potential of capital through tying up money for long periods of time.

## Considering lost interest income

A good manager will go one step further. Besides considering placement time and earning potential, he would also consider the interest lost when funds are committed to long-term capital expenditures. You can consider replacement time, earning potential, and interest lost by using a present value table. This table indicates the present value of one dollar to be received over a number of periods discounted at certain percentage rates. The tables can be obtained

from most book dealers. A sample appears below:

### Present Value of \$1

Years	10%	12%	14%	15%
1	0.909	0.893	0.877	0.870
2	0.826	0.797	0.769	0.756
3	0.751	0.712	0.675	0.658
4	0.683	0.636	0.592	0.572
5	0.621	0.567	0.519	0.497
6	0.565	0.507	0.456	0.432
7	0.513	0.452	0.400	0.376
8	0.467	0.404	0.351	0.327
9	0.424	0.361	0.308	0.284
10	0.386	0.322	0.270	0.247



To determine the true worth of \$1.00 to be received in five years discounted at 10 percent interest, refer to the column labeled 10 percent and proceed down the table to the line labeled five periods and read the amount: .621. Therefore, discounted at 10 percent interest, \$1.00 earned from the capital investment in five years is actually worth \$.62. For example, the present value of \$5,000 received five years from today, discounted at 10 percent interest, is \$3,105 ( $5,000 \times .621$ ).

Assume a manager is going to spend \$175,000 to improve a club's lounge and that the improvements will last ten years. He anticipates that the new lounge will generate additional revenue of \$35,000 in each of the first five years and \$25,000 in each of the second five years. The true earning potential of this capital expenditure, based on an interest

rate of 14 percent, is \$164,745 compared to the \$175,000 outlay; a

\$10,255 loss. This is illustrated below:

Years Hence	Net Cash Flows	Present Value of \$1 at 14%	Present Value of Net Cash Flows
1	\$35,000	0.877	\$30,695
2	35,000	0.769	29,915
3	35,000	0.675	23,625
4	35,000	0.592	20,720
5	35,000	0.519	17,165
6	25,000	0.456	11,400
7	25,000	0.400	10,000
8	25,000	0.351	8,775
9	25,000	0.308	7,700
10	25,000	0.270	6,750;

If the amount of the capital outlay had been smaller than the present value computer above, then the project should have been implemented. Otherwise, the manager should con-

sider alternatives to realize a better return on capital expenditures in assessing projects which will best meet soldier needs. **ah**

*Johnson is currently assigned to the Fort Benning, GA Internal Review Division and was implementation officer for the NAF Information Standard System. He holds a degree in business administration and has successfully completed the Certified Public Accountant Examination.*

## Net income: How much is enough?

**WASHINGTON**—Sometimes it seems that you're damned if you do and damned if you don't and club managers all too frequently find themselves in that dilemma when it comes to making money. On the one hand, Department of the Army is telling you that you're not making enough and on the other hand, the installation commander can't understand why you need to make so much money.

"It's an education process," according to **Priscilla Pazzano**, Chief of Army Club Fund Section, Club and Community Activities Management Directorate, TAGO. "All too often, we hear complaints from managers who are caught in a vise between their local command and our budget instructions.

"The Department of The Army objective is keyed toward requiring clubs to generate sufficient net

income to provide for a self-sustaining future." She said "through normal wear and tear, carpets get worn, furniture falls apart, drapes fade and develop holes, kitchen equipment becomes inoperable, etc. If provisions are not made for club capital replacement, the club will eventually find itself with a deteriorated, unattractive, and unsanitary facility which is unable to provide quality service to its membership."

A poor facility causes membership participation to drop off, revenue to decrease, and the club snowballs into further deterioration.

"Thus, commanders who take the approach that the club should maintain lower prices than needed for capital improvement are doing a disservice to the current and future members of the club, for they are condemning the club to a future of slow deterioration and decreased ser-

vice. Pazzano also said that net income objectives vary from club to club. A club that is contemplating a major capital improvement project may need to accumulate enough money to provide for a down payment.

Army clubs are often perceived as "profit making" activities. They are not, Pazzano said. The money a club makes over and above normal operating expenses is eventually placed back into the club in the form of a better facility and expanded programs and services.

Pazzano, who's office reviews the financial statements of individual Army clubs every month, noted that some clubs are not adequately programming for future capital improvements. Club managers should carefully analyze capital expenditure needs and tailor club net income goals to meet these needs, she added. **ah**

## Central pay 24-hour telephone

**RED RIVER ARMY DEPOT, TX**—The Central Payroll System, operated here to provide pay services for NAF employees in the United States and the Far East, has installed a 24-hour telephone line to assist NAF managers, personnel offices and central accounting offices in reaching the office. The number is

AUTOVON 829-3564 or (214) 838-3564. Central Payroll System operating hours are from 7:30 a.m. to 4:00 p.m. Central Standard Time. **ah**

## NAF CIP pays 15%

**WASHINGTON**—Depositors in the Army's Nonappropriated Fund Cen-

tral Investment Program were paid 15 percent per annum in the fourth quarter fiscal year 1980. Although ongoing yields in the market fluctuated from 8.75 percent to 12.5 percent during the quarter, capital gains allowed for the higher yield. **ah**

# Strong NCO club system behind new Bragg Club

**FORT BRAGG, NC**—It took two years to plan, many more to save for, and 14 months to build the latest addition to the Fort Bragg Installation Club System: a 15,000 square foot, \$1.4 million enlisted club.

The club serves as the flagship for the rejuvenated NCO and enlisted clubs serving the near 26,000 enlisted soldiers assigned here.

The seven enlisted clubs, under the leadership of Installation Club Manager **LTC Wayne Godfrey, C.D. Shane**, Deputy ICM, and NCO Branch Manager, **Bill Newton** have one of the highest business volumes of any clubs in the Army with total revenue in Fiscal Year 1980 of \$3.3 million. And managers are working to boost those sales while achieving record net income for even more Bragg NCO/enlisted club improvements.

Newton also serves as the Main NCO Club manager along with overseeing the NCO Club Branch. He said that he hasn't lost money since he completed the Executive Club Management Course, as net income jumped to \$284,000 in Fiscal Year 1980 from \$8,000 the year before, despite continued decreases in the club's share of package store net income. He attributed the improved results to a lot of hard work by The NCO/enlisted club managers: **SFC Preston Johnson, Kenneth Merritt, Baxter Thomas, Bob Reynolds**, and **Jim Boyle** (manager of the new club), all of whom had a successful year.

## New club is simple, durable

Newton said that operations at the new enlisted club have proved highly successful with good acceptance by Bragg troops. The new club replaced a World War II building housing the Smoke Bomb Hill club. Called the Yntema Club, after Sergeant D. Yntema, a posthumous Medal of Honor winner in Vietnam, the club is designed to simply give the junior enlisted troops what they want: good, fast, simple food, beverages, music, and a game room. No loan was required for the facility which was paid for out of Bragg NCO/enlisted club retained earnings.

The club is equipped with a



Soldiers at the club's quick-serve operation. Food is simple, inexpensive and good.



New club is simple and durable.



Soldiers feast on beef at the Yntema Club's Grand Opening. The event drew 4,500 and a subsequent club dedication was witnessed by the family of Sergeant Gordon Yntema, a posthumous Medal of Honor winner in Vietnam for whom the club was named.



\$60,000 automatic beverage control system. There is a service bar located near the club's game room and a central bar with two accompanying service bars. Newton likes the automatic beverage system because it only has to be inventoried once a month and waitresses can be trained to pour drinks thus saving money by not having to hire several bartenders. He also likes the built-in control features of the beverage system that automatically and precisely pours drinks fed from a central location. Newton has bought six more automated bars for his main NCO club, costing \$100,000.

The club is "soldier proof," according to Newton, referring to the club's ability to be cleaned easily.

Entertainment is provided by a \$37,000 discotheque that plays country and western, soul, Latin and pop sounds to the 550-capacity club. Newton said that the club updates its record selection through an arrangement with a local record firm. Live entertainment is provided once weekly since soldiers appear to prefer the less expensive discotheque costs.

The club is also labor efficient with a labor cost of 33 percent of total revenue for Fiscal Year 1980. Most of the club's 41 employees are intermittent. Club sales have averaged \$45,000 to \$50,000 since opening.

Fort Bragg soldiers pay \$2 per month in dues that entitles them to use the club which does not charge separately for entertainment.

The club was built employing the turnkey construction method whereby the Club and Community Activities Management Directorate contracts with a general contractor to design, build, and equip a complete club facility.

The club features quick-serve food items and uses Documentor system to account for the \$8,500 monthly food business, about 20 percent of the club sales of \$45-50,000. "We want to keep the menu simple and inexpensive for the young soldier. The club's fast food slate reflects soldier preferences for chicken, hot dogs, and hamburgers, with fried chicken gizzards the biggest seller. All food is served from a modern kitchen, managed by Betty Showwalter, with milk shake machines, pie



**Dancing to live entertainment at the new Fort Bragg Yntema Club.**



**CPT Ed Urben (right), Club and Community Activities Management Directorate club assistance expert, teaches the Documentor system to a Fort Bragg Yntema club employee. CCAMD teams work with management when "breaking-in" all new facilities.**



**Rei Dell of the club's administrative staff changes the slate on the new club's board.**

### **Other Bragg NCO Improvements planned:**

warmers, char grills, and labor efficient self-cleaning stoves.

Other Fort Bragg NCO/enlisted clubs are not being ignored, according to Newton. "We just re-did a cocktail lounge at the Dragon Club, will renovate the former package store space in the Main NCO Club into a party room and are getting

ready to renovate the COSCOM Club.

Along with these improvements, Newton said he would like to have another club just like the new enlisted club that was just built. With the continued improvements at the Fort Bragg NCO/enlisted clubs, managers should be able to provide that and just about anything Fort Bragg troops need in the way of quality club services in the years to come. **ah**

# Saga of a new club

Shirley Spencer  
and A. B. Nauroth

**OSTERHOLZ-SCHARMBECK, WEST GERMANY**—The opening of the American wild west gave birth to booming shantytowns thrown up in mudholes wherever jobs promised rich opportunity.

After a day's hard work, the tough miner, the overworked sheriff, the sooty blacksmith, and even the dusty cavalry soldier from the nearby fort rubbed elbows at their favorite saloon.

In the fall of 1978, more than 4,000 troops of the 2nd Armored Division from Fort Hood, Texas moved into a similar boomtown enviroment at Lucius D. Clay Kaserne near Bremen in Northern Germany.

Many of the facilities were of shanty-like construction—including the watering holes where the modern-day calvalry met to unwind. The only things missing were swinging saloon doors and hitching posts.

The first hastily thrown up facility

was a small wooden structure called the "German Kantine" built for the construction workers of the kaserne. Later, it was combined into an all-ranks club to include the construction teams.

Many of those wild west shantytowns are now only populated by ghosts. But the home of the 2nd Armored Division (Forward) is booming with the most modern facilities for Americans in West Germany. In fact, it's the first kaserne built entirely from scratch since World War II. And there's no lack of hard-working dusty soldiers—and now their families—who need a place to rub elbows and relax.

**Gene R. Haddox**, manager of the new Combined Club on the kaserne explains that it was a long trail between the first shanty club and the fine modern facility which now services the community.

After the "German Kantine" came a squat red metal warehouse-like structure open for enlisted troops only.

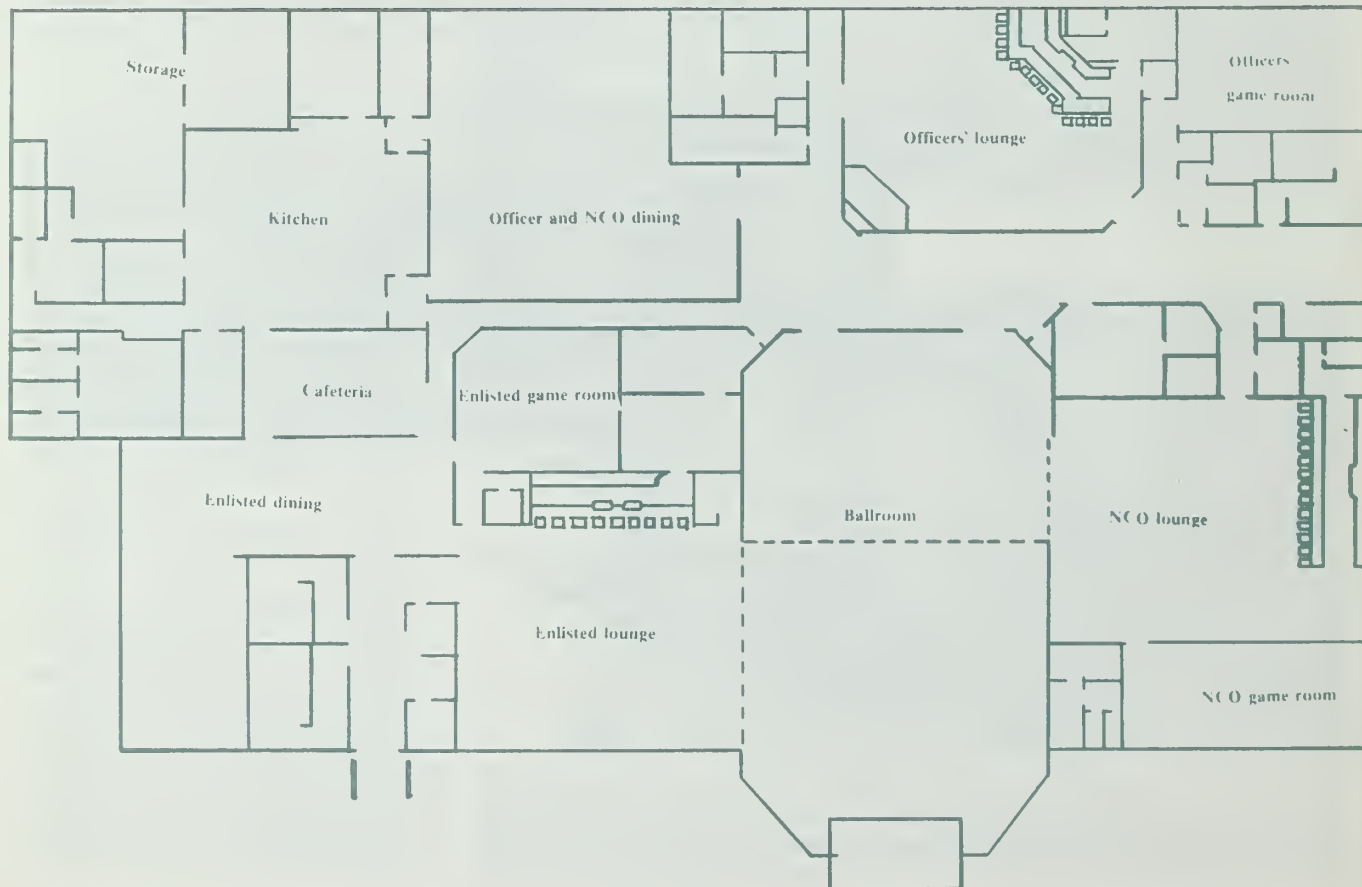
"There was also two lounges opened in the new barracks," said Haddox. "One was for NCOs and the other was for officers."

Characteristic of most of the troops' feelings toward the "Red Shack" are the words of Spec. 6 William M. Peck of Headquarters and Headquarters Battery, 1 14 Field Artillery. "It was lousy," he said.

The next steppingstone in the growth of the Clay Kaserne club system was the grand opening of the Bahnhof Hotel, a government leased building in nearby Osterholz-Scharmbeck about four miles from the kaserne.

"It only operated as the Officers' Club for two months," Haddox said.

"Then it was changed to a combined NCO and Officers' Club. It had four rooms—the dining area, the bar, a small game room, and the kitchen. Its warm, friendly atmosphere reminded patrons of the grand old German hotel it once was. It was easy to rub elbows there and some customers thought it was the best club facility—even better, or at least more comfortable than the new sprawling





Combined Club.

The small dining room was decorated with flowers and various animal trophies on the wall.

The menu, though small, offered patrons a choice of different cuts of steak, fish and chicken.

"The kitchen limited us in what we could do," Haddox explained.

Service members and their families enjoyed the club for yet another reason. It was close to the railroad station so it was convenient for those going TDY. Also, it was close to the housing areas for those who wanted to walk home after a relaxing evening.

Others enjoyed the little club because it was off the kaserne and away from work.

The new Combined Club opened its doors in the winter of 1979.

"Construction was finished just in time for the Christmas holidays," said Haddox.

According to 2nd Armored Division's Public Affairs Officer, Capt. Dan Riney, the new brick facility cost a little more than \$4 million, less decorations, carpeting, furnishings, and equipment.

With this kind of price tag on just the structure, the new Club promised to be a palace as compared to the shantytown "German Kantine."

"Everything was opened a step at a time," Haddox said. "First the lounges were opened for the holidays, followed by the cafeteria and party services," continued Haddox. "Complete food service was not ready until February, 1980."

The new club is a study in efficiency and savings because of its centrally located kitchen around which three individual clubs are designed.

There are also separate game rooms for NCOs, officers and enlisted troops. A large ballroom with remarkable flexibility is decorated with two enormous chandeliers—carousels of romantic light.

A modern touch to this picturesque ballroom is the sliding partition which can be used to form a small room to meet any occasion. For example, more room can be added to either the NCO or enlisted lounge, or the ballroom itself may be divided in half for two simultaneous events.



**The Officers' Lounge is attractive and relaxing.**



**The formal dining room adds color and new dimension to the club.**

Entertainment was an important element to the life of that hard working miner or cavalry rider. Admittedly the new Combined Club has few dancing girls, honky-tonk piano players, or life-and-death poker games. However, the Club does offer live bands, discos, and special name groups such as Tommy Cash and The Chi-Lites.

Entertainment at the Club is still in the developmental stage, according to Haddox.

"We are not in one of the best entertainment circuits," he said. "However, the future does hold possibilities for slot machines, bingo, and more live bands.

"The booking of private parties,

hail and farewells, wedding receptions, promotion parties, and church affairs is a tremendous success," noted Haddox.

"Financially, the new Club is flourishing," he added. "Sales are increasing every month. For example, sales increased approximately \$20,000 between March and April of 1980. Then they soared to a high of \$75,000 in May, but fell a little during June because of field exercises," he continued.

"We don't know where we'll peak out," he added. "Probably somewhere around \$70,000 a month."

Patrons of the dining room take a delight in the specialties of the house such as the mouth-watering chicken

cordon bleu with wine sauce. The well-stocked salad bar is another feature which offers patrons their choice of greenery or whatever their salad passion may be.

"Food sales will probably round out somewhere around \$35,000 a month and may even go higher," Haddox predicted.

"The Club saves money in three areas," said the former commander of the 2nd AD (Forward), Brig. Gen. James A. Armstrong.

"First of all," he pointed out, "the kitchen equipment is not duplicated three times. Secondly, you save on labor costs since you only need one kitchen staff, and last of all, from the management standpoint, supervision becomes somewhat easier."

Patrons have a wide-ranging view of the Club. Like customers in most service clubs, some tend to love it while others can only find fault with it or ignore it completely.

"I'm really glad we have the Club," said Kathryn W. Heatherington. "It gives the single soldier a place to go. However, being on post, there aren't many single women that the single guys can meet."

"I really like the overall modern setting," said Sgt. Johnny L. Greer of Headquarters and Headquarters Company, 2nd Battalion, 50th Infantry. "However, I really don't like the segregation. I feel the NCOs and the EMs should mix more."

"The new Club is very promising," Haddox said. "But it must progress a little at a time. It's a slow process. Some items are still on order, and some just haven't been delivered yet."

Even now the Club is not complete. There is a lot of decorating to do. One art store in nearby



The spacious outside of the newly constructed facility.



The "German Kantine." The first gathering place for all ranks and the German construction workers.

Osterholz-Scharmbeck is presently displaying works by local artists in the dining room until permanent decorations are delivered.

"I hope we never say to ourselves that the Club is done," commented Armstrong. "Since the Club members are not static, the Club should not be static. It should be changing and growing along with the membership."

Out of the mudhole and through

several quick-fix solutions to provide 2nd AD (Forward) with an up-to-date place where they can rub elbows in comfort, a palace has grown. The dusty cavalryman and his family now can relax in a luxury never experienced by his pioneering comrade who searched for rich opportunity in those wild west shantytowns. **ah**

*Spencer-Lebkisher and Nauroth are staff writers for the U.S. Army Support Group, Nord-deutschland Public Affairs Office.*

## 5 officers seeking advanced degrees

**MIAMI**—Five Army officers are currently working on advanced degrees at Florida International University's School of Hospitality Management in a program designed to provide advanced education for Army people holding the club management specialty.

Program length varies from nine to 18 months with students taking courses in accounting, restaurant management, food service, marketing and club management while

working toward a masters degree in hotel and restaurant management.

Students currently attending the School are MAJ Mike Nelson, MAJ Pete Bender, CPT(P) Joe Fergusson, CW3 Richard Gorman and LTC Joe Martinez. **ah**

## Bindlach Enl Club

**BINDLACH, W. GERMANY**—A renovation plan for the Bindlach Enlisted Club was recently approved to allow the club to have nearly

\$100,000 worth of long-awaited improvements.

Officials said that the club, part of the 7th Army Training Command Area Club System, will soon have new lounge, stage, dance floor, kitchen, furniture, carpet and wall coverings. Managers are designing an expanded food menu to complement the club's new look. Work is scheduled to begin in March 1981.

Tentative approval has also been provided for a renovation and addition to an officers'/enlisted club at Bindlach. **ah**



## Lights, Action, Fun!

**PRESIDIO OF SAN FRANCISCO, CA**—Mechanical bulls, lady mud wrestlers, German Oktoberfest and a new disco are attracting members to the Presidio of San Francisco NCO Club, according to SFC Leo Meneghetti, manager.

Meneghetti, who gets his ideas from looking at off-post establishments, believes that you have to keep innovating to attract members to the club.

He occasionally rents a mechanical bull and charges members a nominal fee to ride the contraption to the sound of country and western music.

Another night you'll find him hosting a German Oktoberfest, and still other nights, Meneghetti oversees a disco that attracts between 275 and 400 to his club. A \$3 cover charge takes care of the \$500-\$700 expense of having a live band and D.J. for the evening along with helping pay for a recently installed \$6,200 lighted dance floor.

Another popular main event has been lady mud wrestling by the "Sweet Lil' Mudpies." As anxious fans surround the ring, the girls enter the room fully clothed and dance to disco sounds around the ring. Then, dresses come off, leaving the girls in



**Washing off after the competition.** "It's good, clean fun," commented club manager Meneghetti, sponsor of the event at the Presidio of San Francisco NCO Club.

leotards and three inches of gooey mud, actually a mixture of clay, water, talc and foam, but like calamine lotion mixed with oatmeal. There are three 1-½ minute rounds and three preliminary bouts leading up to the main event where an audience member bids for the opportunity to get in the ring with the gladiators.

Spokeswrestler Amelia Carpenter (better known as the Blonde Bomber) said most of the lady wrestlers have full time jobs and get paid about \$50.00 a show with female audience members getting paid \$30 to get into the ring.

"We want to get the soldiers out of their barracks and houses and into the club," Meneghetti said. **ah**

## Club improvements aimed at members

**FORT CAMPBELL, KY**—Management of the officers' club here is making some changes to make the club even more attractive to club members.

CW3 Don Johnson, club manager, has relaxed the dress policy, revised the menu, boosted entertainment, and is generally sprucing-up the place.

Since some of these changes have been made in the club's operation, Johnson has noticed an improvement in the overall atmosphere. "The staff seems to be more responsive and we have more professional service, the food is excellent, and the pricing is considerably lower than off post," he commented. The Fort Campbell Officers' Club has total revenue of \$850,000 in Fiscal Year 1980. **ah**

## Carlisle Officers' Club renovation

**CARLISLE BARRACKS, PA**—A long-awaited major renovation of the Officers' Club here is expected to begin this spring providing members with a new kitchen, additional dining space, new entrance, and restrooms. The club's cocktail lounge, dining

room, and ballroom will also be renovated as part of the project.

The design concept was developed by the Club and Community Activities Management Directorate with final design prepared by a commercial design firm. **ah**

## Cannon upgrade

**FORT RUGER, HI**—An expansion and general upgrade of the Cannon Club at Fort Ruger, Hawaii is planned during the next year, according to officials.

The project will be conducted in two phases. Phase one will include construction of a covered lanai and luau party facility. Design is being accomplished by the Army Corps of Engineers Pacific Ocean Division based on guidance from the Club and Community Activities Management Directorate, TAGO.

Additional work in Phase II will provide for the repair and maintenance of the officers' club structure and complete renovation of the kitchen and dining room. **ah**

## Happy birthday Hale Koa!

**HONOLULU**—The Hale Koa Hotel, Armed Forces Recreation Center celebrated its fifth birthday during November with discounts on food and beverages and special entertainment programs. **ah**

## "Quality, quantity and service" provide needed cash for \$355,000 club renovation

**FORT BELVOIR, VA**—The Officers' Club here has financed a \$355,000 renovation while continuing its \$55,000 quarterly payments on a \$2.2 million loan used to renovate the club in 1972.

General Manager **Joe Bacio**, and prominent member of the International Military Club Executives Association and the Club Managers Association of America, explained that funds for the projects came from consistently improved operating results caused by a club program from which 70 percent of its average monthly sales of \$90 to \$95,000 are food sales.

With the help of assistants **SGM George Spencer** and **2LT Eric Flaxman** (who doubles as Belvoir Club System Administrative Support Branch Manager), Bacio has kept his food cost of goods to 42-43 percent and beverage cost of goods at 24 percent. The club books 25-30 parties monthly, Bacio said.

The club offers a la carte dining on Saturdays, brunch on Sundays with cafeteria service in the basement. A regular Wednesday event is the Chef's Carving featuring five different meats and a salad bar. One of the Club's most popular events is a Seafood Buffet on Friday.

Although faced with a limited budget for such a large project, Club and Community Activities Management Directorate designers went to work using existing resources to give the club a new traditional look that has been well-accepted by members and management.

The club was originally built as a club in 1925 and named the Engineer's Mess. **John Dipol**, Club and Community Activities Management Designer who worked on the most recent renovation, said that a major problem was both "to recreate the elegant traditional design" of the 68,000 square foot facility and to coordinate the design to allow a "pleasant transition from one area to the next." Dipol said he had to overcome a number of structural obsta-

cles caused by several building modifications over the years.

**MAJ Bobby Thompson**, Belvoir Installation Club Manager, said that the renovation went smoothly, with contractors and management closely coordinating the work schedule so as not to interfere with club business.

Monthly dues at the club are \$5 for a second lieutenant, gradually increasing to \$11 for a general.

Today, members enter the club through a lobby entrance that indicates the quality of renovations that pervade the entire club. Here, Dipol added glass doors, took advantage of a previously covered stone floor, and removed a wall. New carpet was selected and velvet draperies were added to the hallways. Existing furniture was retained and re-covered in leather or traditional materials while some new furniture was added.

Dipol also took advantage of inherent features of the Club's Fairfax Room and ballroom, including a fireplace and beamed ceiling. Ducts

See **BELVOIR**, pg. 29



Colorful awning and hanging plants highlight features of renovated Belvoir Officers' Club room.



Reupholstered and new furniture, chandeliers, new carpet, and glass doors laced with lead provide for an attractive club entrance. (Anderson)



# Carson facility program called best in Army

**FORT CARSON, CO**—Bolstered by continuing favorable operating results, the Fort Carson Installation Club System is committing its money toward bettering the soldier's lot at this Rocky Mountain infantry division post.

**Tom Walker**, Installation Club Manager, asks "Where do I start?" when queried on his plans to give the troops here the best possible in club facilities, programs and services.

Coining a business catch-phrase, Walker believes that "you have to spend money to make money" and this holds true at Fort Carson where clubs are spending millions to provide solid groundwork for better things to come. The Officers' Club is completing the third and last phase of a renovation that began last February. The \$350,000 re-make provided a better ballroom, cocktail lounge, entrance-way and administrative space for the club originally built in 1968.

Also, Carson soldiers will soon witness the construction of a brand new 28,000 square foot enlisted club with a discotheque, fast food drive-in, game rooms, lounges, dining room and ballroom. The Rocky Mountain spring thaw will allow ground to be broken in April 1981 and Fort Carson soldiers should be enjoying the facility by December.

**BELVOIR**, from pg. 28

were covered, chandeliers added, carpet and draperies (bought by the Officers's Wives Club) were installed.

Modifications to the Club's Castle Room and Terrace Rooms include new carpet and awning drapery.

A print of nearby historic Alexandria, Va., obtained from the city's library was used to create a huge mural that adorns the club's Alexandria Room. Dipol took advantage of a large number of windows in the Valley Forge Room where he placed large upholstered screens between drapery panels and added burgundy colored carpet and chandeliers. Another room, The Yorktown, was given a light, airy feeling by adding garden lattice work with sheer draperies underneath. Leaf print wall coverings, hanging plants, and rattan



**Fort Carson Package Store under construction.**

Walker reports that a new \$610,000, 8,000 square foot package store, currently under construction for a March 1981 opening, will be conveniently located next to the Carson commissary and will offer a better selection and more comfortable surroundings.

NCO managers have just finished a minor renovation of the main NCO club that included installing a discotheque that is well received by 4th

Infantry Division (Mechanical) soldiers.

Across post, Walker is constructing a 6,000 square foot, \$550,000 enlisted club that provides "what the young soldier wants near the barracks: a limited fast food menu, disco and games in a nice facility." Located smack in the middle of a busy barracks area. Design for this Carson enlisted club was by Jim Lindamood of CCAMD's design staff. It will be completed in March 1981. ah



**Dipol decorated the club's ballroom with draperies, chandeliers, ceiling and carpet.**

chairs round out this room's appearance. Chandeliers, Williamsburg—print wallcovering, draperies, and reupholstered Queen Anne chairs were installed in the Mount Vernon Room. The club's hallways, cafete-

ria, and offices received new wall covers, carpeting and reupholstered furniture.

The Fort Belvoir Club System had total revenues of \$6.2 million in Fiscal year 1980. ah

## Opening the doors to fun and profit

**FORT BELVOIR, VA**—In one year, sales at the Fort Belvoir NCO/enlisted clubs have increased 150 percent from \$400,000 to \$1 million, the number of club members increased from 480 to 3,500 and net income increased 65 percent.

When **MSG David L. Burke**, club manager, was asked how he did it, he responded: "I opened the doors."

That may be part of the reason since clubs at Fort Belvoir prior to Burke's arrival at the beginning of the Fiscal Year 1979 were operating skeleton hours on Wednesdays, Fridays, and Saturdays only.

Burke, who manages the three Belvoir clubs without an assistant manager, since **MSG Jim Mullen** left for Europe in July went to work increasing club programs and keeping the doors open to membership that apparently was waiting for something to happen at their clubs.

Today, a visitor to the Fort Belvoir NCO/enlisted clubs would be amazed at the transition these clubs have had in the past year.

Ubiquitous Burke, shuttling between the Main NCO Club, the Rocker Club and the Sportsman's Lounge, was interviewed in the kitchen of one of his clubs where he was preparing hor d'oeuvres for his normal Friday night crunch. "My cook didn't show up tonight and there are going to be some hungry members crashing through these doors in about one hour," he said as he enthusiastically explained his remarkable club success.

One of his best and most successful programs has been a late-night discotheque on Fridays and Saturdays that features live entertainment and recorded music.

He has instituted a Boss Night, Bingo three nights per week, and food give-aways designed to attract members. "You have to spend money to make money and that's what I'm doing," referring to the \$500 per week in free food provided to club members and the \$7,500 jackpot and new car won at his bingo operation the week before. He is planning a membership night where club

members will get a free T-bone steak dinner with all the trimmings. Dues pay for all the freebies, right?... wrong—the Fort Belvoir NCO/enlisted clubs are dues-free but Burke gives out membership cards to eligible people who want to join the clubs.

In his spare time (which is almost nonexistent), Burke tends to the clubs administration and financial problems which, by the way, are eroding in the wake of his aggressive programs. During Fiscal Year 1980 net income was up 65 percent to \$151,000 and Burke proudly points to statistics showing that Fiscal Year 1980 was the first year that the club made money without the benefit of package beverage store income.

Brunch in the Whole Army," he said, "with a mouth-watering lineup of every imaginable item including roast beef, creamed beef, a variety of eggs, French toast, bacon, sausage, fruit, toast and biscuits and desserts. Another popular item is the club's Beef and Burgundy Nights."

Installation Club Manager **MAJ Bobby Thompson** referred to Burke as the "best NCO club manager he has seen" and worked with Burke to convince the installation commander to allow Burke to institute the new programs. Burke admits that some of his programs didn't work but feels that he must experiment. For example, he is planning a discotheque for Sunday



**Part of the crowd at the NCO Club's Bingo Night. Bingo is only one program instituted by Burke, bringing Belvoir NCO Clubs to record sales and net income.**



**Soldiers line up for buffet at the main NCO Club. Burke has boosted the club's food program, providing over \$500.00 in free food monthly to members.**

Besides the normal slate of club entertainment, Burke tries to bring in big name entertainment monthly. Acts like Furlin Husky, Claude King, the Shirrells, and The Drifters have recently appeared at Fort Belvoir.

"I've got the best Champagne

afternoon jazz and blues lovers.

The future... well, it's as ambitious as the past with plans for increasing sales to \$2 to \$2.5 million by 1982 and a \$750,000 renovation to one club and turning a snack bar into a full dining operation in another. ah



## MWR Crimes

• Someone forcibly entered the Augsburg, West Germany Rod and Gun Club and removed 511 cartons of cigarettes worth \$1,300.

• In West Germany, over \$1,230 and DM 6000 were missing from proceeds of a German-American Activities Week.

• Indiscretions on the part of an area club manager and NCO club manager concerning inventory shortages and vendor relations were found at a club system in Europe.

• An employee at a stateside PX gas station wrapped \$1,000 in \$20.00 bills, placed them in an unsecured desk drawer and left the office. She reported the money missing when she returned.

• An AAFES service station manager altered the records resulting in over \$20,000 missing cash and ultimately admitted to defrauding non-appropriated funds totaling \$50,000. The manager subsequently presented AAFES with a check for \$50,000.

• There was an \$1,800 cash shortage at a stateside officers' club.

• An internal review audit at a

stateside installation found that nearly \$2,000 was allegedly not being properly posted to the accounts receivable records of the officers' club.

• Investigators found that a package store employee at Redstone Arsenal, Ala. allegedly stole nine gallons of alcoholic beverages. Further investigations revealed a shortage of \$2,000.

• Someone stole \$4,317 in checks and cash from an unsecured safe at the LaHacienda NCO Club in Fort Huachuca, Arizona.

• During a three-month period, shortages of \$8,100 worth of sensitive food items were found at a stateside officers' club.

• Package stores in Yongsan, South Korea sold about \$1.4 million of beer during a six-month period ended May 1980. About \$1 million was not recorded as being sold in the ration control system, indicating substantial amounts of beer were diverted to the South Korea black market. There was no loss of funds. No U.S. military personnel have been implicated. Investigation continues.

often overburdened with an increasing number of inspections, reviews, surveys, analyses, and reports. Most of the inspections conducted at the installation are by the direction of the installation commander to be used as a management tool to measure the operating efficiency of elements under his supervision. The inspections are directed at identifying, reporting and making appropriate recommendations regarding the elimination of conditions that cause or contribute to poor financial management, inefficient operations, lack of internal controls, and noncompliance with existing regulations, the officials maintain.

Commanders at all levels can and should cause inspections to be less disruptive to NAF management and operations by consolidating and coordinating scheduling of inspections.

Managers can eliminate much of the response time now required by inspections by implementing an in-house program that continuously identifies and corrects conditions that cause or contribute to poor financial management, inefficient operations, lack of internal controls, and noncompliance with regulations. Also, adequate corrective action on past findings and continuous monitoring of actions taken will preclude findings from resurfacing during a future inspection. **ah**

## An ounce of prevention...

## Inspections, reviews, audits, etc.

**WASHINGTON**—Nonappropriated fund activities have been in a fish bowl since the late sixties when mismanagement and malfeasance were uncovered. Although there is no evidence that oversight from any level of command will decrease significantly, managers can reduce the time spent dealing with inspections and audits, according to officials at the Club and Community Activities Management Directorate, TAGO.

The best offense is a good defense and reducing the disruptive impact of command inspections and visits starts with managing and operating the club in a manner that will result in a clean bill of health after each visit. Keeping the club in order reduces time in explaining deficiencies to the chain of command and in reporting corrective actions taken through command channels to inspecting

agencies. It is far easier to establish and execute proper internal controls and operating procedures as they are surfaced within the NAF activity than to play catchup after each inspection.

One stateside installation club system experienced 14 inspections during a 19-month period that included the Criminal Investigation Division, the major command and local inspectors general, the Army Audit Agency, the engineers, the fire marshal, internal review, the commander and the sergeant major, and a Club and Community Activities Management Directorate, TAGO technical assistance team. And, by the time they finished the inspections, the cycle was about to begin again.

Officials at Department of the Army realize the club managers are

## Hale Koa recognizes military

**HONOLULU**—Outstanding soldiers in Hawaii will be saluted by a Recognition Day Program at the Hale Koa Hotel, Armed Forces Recreation Center.

The purpose, according to **COL Roger Schenck**, The Adjutant General's Representative at the hotel, is to recognize and honor one enlisted person from each of the major military bases and facilities on Oahu from all five Services.

Award winners and their spouse or guest will receive a hotel tour, complimentary beverage, a gourmet dinner, and be hosted by a management official, Schenck said. **ah**

## Officers' Club takes over post restaurant

**CAMERON STATION, VA**—The Officers' Club here has taken over operation of the post restaurant in an effort to expand catering, provide more depth to the club operations, have more private parties, and improve service to personnel at Cameron Station and other nearby military activities.

The post restaurant had suffered financial losses in recent years and its location adjacent to the officers' club provided a good opportunity to try the new arrangement. The club is part of the Military District of Washington Club System.

**MAJ Richard Celeste**, 1967 Club Management Course graduate, 1976 Executive Course graduate, and Cameron Station Officers' Club Manager, said that he is working to provide more food variety and better quality while cutting expenses. The club assumed the restaurant operation in July, but Celeste has already noted some positive trends. "We dropped our cost of goods 13 percent and I've noticed that we are getting more repeat business for private parties," Celeste said he is encouraged by positive comments from long-time restaurant customers. He reports lunch business has increased nearly \$100 per day.

The merger more than doubled the size of the club which now has capability for large or small parties. The newly acquired club space was refurbished for a grand opening that attracted over 500 club members and guests. He said that start-up costs have been substantial but he feels he is gradually increasing business (up to \$40,000 in October) to warrant the investment.

Celeste hopes that aggressive promotion and added programs will provide a needed boost to the club. He plans a Baron and Brew Night consisting of steamship round, beer, salad bar and dessert bar along with adding Bingo in the new found space.

ah

## AF workshops

**RANDOLPH, AFB, TX**—Due to space limitations, Army Club managers wishing to attend Air Force



A chef in the club's serving line carves up steamship round for a customer.



Cameron Station Officers' Club members in the club's cocktail lounge. The club offers free hor d'oeuvres and reduced beverage prices each Friday.

Workshops scheduled in January and February 1981 are asked to contact **Bill Gregg**, DAAG-CMO-M, Washington, DC 20310, (AV 221-0703) before making arrangements with Air Force personnel. Gregg will

coordinate all requests with the Air Force.

The workshops are scheduled to be held in England; Charlestown, SC; Norton AFB, Calif.; and Scott AFB, Ill. ah



## Better buying reaps cash dividends

**WASHINGTON**—Improved purchasing methods can greatly improve the club's cash position. That's the word from Selwin E. Price, partner in Alexander Grant & Company, a Chicago-based international certified public accounting firm.

Commenting in Club Management Magazine, Price said that businessmen should use every tool available to enhance their cash position, including controlling accounts receivable, slashing inventories, and paring overhead.

Price recommends the following to get the most out of vendors:

- Take cash discounts whenever possible.
- If no discounts are granted, take 30 days to pay or stretch your vend-

or's terms as far as he'll allow. If you start to fall behind in your payments, contact your vendor and let him know in advance. "He'll appreciate the notice and you'll become a more valued customer," Price said.

- If possible, get your vendors to warehouse your purchases and bill you for goods when shipped to minimize your inventory.

- When you buy goods, try to get price protection from your vendors over an extended period of time.

Price also recommends that you put your cash to work for you immediately. Here's how:

- Deposit all payments instantly. Don't hold them for bookkeeping purposes. Either keep the remittance advice attached to the check or a

copy of the check for your bookkeeping needs.

- Even if you get a partial payment, deposit it instantly unless the endorsement indicates payment in full. Some companies hold on to a partial payments until they find out the reason for the shortage. Price said it is better to put the partial payment to work for you immediately and investigate the shortage later.

- If yours is a high-volume business, consider a lock-box. Payments sent to a post office lock-box go directly to your bank in 24 hours or less, meaning that you have the use of your money almost immediately.

- Keep on hand only whatever cash is needed for the daily requirements of the business. P.S.—(Put the rest in the Department of the Army NAF Central Investment Program). ah

## Contracting help available

*Central contracts individual procurement help available.*

**WASHINGTON**—Army clubs and other NAF activities can get help on meeting their procurement needs through the Office of The Adjutant General Central NAF Contracting Office.

One program labelled I-SNAP, for Individual Support for Nonappropriated Fund Procurement, provides quick response to individual purchasing requirements coupled with advantageous pricing. The NAF activity should first attempt to purchase locally, either within the installation club manager's \$2,500 limitation or through the installation purchasing and contracting office.

If local purchasing cannot be responsive, the Central NAF Contracting Office will furnish price and delivery information by telephone to the NAF activity within a few hours. When the I-SNAP requirement is properly documented and approved, the office will take action quickly. This program is especially effective for purchasing furniture, fixtures, equipment and supplies.

The TAGO NAF Contracting Office has also negotiated centralized contracts with manufacturers of furniture, beveral control systems, and

food service and kitchen equipment. These manufacturers distribute copies of price agreements and catalogues directly to NAF activity managers. This program allows the NAF activity to issue a purchase order directly with the supplier against an existing contract, regardless of the dollar amount, with appropriate contracting approval. In addition to Department of the Army NAF price agreement bulletins, similar publications issued by the Marine Corps, Navy and Air Force are also a source of direct contracting from approved suppliers at good prices.

Further information on these and other contracting matters may be obtained from the Central NAF Contracting Office, HQDA (DAAG-CMO-P), Washington, DC 20314, AV 221-0757 or (202) 325-0757. ah

## Caveat Emptor

**WASHINGTON**—The Department of Agriculture recently approved the use of proteolytic enzymes as tenderizers for poultry, pork, and lamb. The move allows processors to increase markets for older animals, previously thought too tough to be

sold commercially, say industry experts.

The tenderization process has been in use by beef processors but the current action extends the process to poultry, pork and lamb cuts, making it more important that managers keep their eyes open. The effect of this relaxation of regulations is expected to be felt particularly in the frozen portion control and convenience food areas.

Officials at the Club and Community Activities Management Directorate central contracting office, responsible for the meat procurement program, are watching this new situation closely to ensure meat quality. ah

## Mexican Night

**KARLSRUHE, WEST GERMANY**

—The Karlsruhe Officers' and Civilians' Club, with the assistance of a team from the European Regional Office, Club and Community Activities Management Directorate, found a way to boost Tuesday sales by 160 percent by having a "South of the Border" night with Mexican food and entertainment. ah

## Central NAF support called more efficient

*Centralizes all warehousing, procurement, supply, administration.*

**FT LEONARD WOOD, MO—**Nonappropriated Fund supply, administration, procurement, and warehousing has been centralized at Fort Leonard Wood, and is helping NAF managers improve programs, according to the officials here.

CPT Michael D. Kelly, Chief of the NAF Office, said the central office provides a "readily identifiable service center" for both the commander and NAF activity manager.

Reporting directly to the installation Director of Personnel and Community Activities, the office provides management control, administrative supervision, and technical assistance to installation NAF activities and serves as the commander's focal point for NAF management and execution of AR 230-1, The Nonappropriated Fund System.

While accounting and civilian personnel administration is performed in the traditional manner by the central accounting office and the civilian personnel office, other administrative functions are being performed by the central NAF office, allowing management to concentrate on improving the NAF activity programs, Kelly said.

The NAF office is divided up into four areas to perform the management functions of administration, procurement, supply, and warehousing.

The NAF office administers three separate funds: The Morale Support Fund, the Support Services Fund, and the Central Warehouse Fund. Kelly serves as custodian of the Morale Support Fund, while the administrative officer is the custodian of the Support Services Fund and the Central Warehouse Fund. The warehouse and support services funds are advised by separate nongoverning councils chaired by the DPCA.

### Administration

Administrative functions performed at the central office include

word processing, control of petty cash and change funds, scheduling of disinterested personnel for vending machine collection, fund council minutes review, budget variance analysis, returned check processing, purchase order follow-up, and key control.

### Procurement

The procurement section of the office purchases all NAF supplies and services. In this section, contract specifications also are formulated for larger NAF procurement actions which require processing through appropriated fund channels. A sequential purchase order system is used for minor NAF purchases. Vendor source lists are maintained and a reference library of 1,500 catalogs is available to NAF activity managers. This office processes over 4,000 purchase orders annually along with many contracts and purchases from blanket purchase agreements. Another major function of the procurement section is monthly solicitation of food items from vendors. This process is exhaustive but allows better prices for NAF activities. Food items are ordered each week and stocked in a central food warehouse until they are issued to activities. The office maintains close contact with vendors to keep abreast of product availability and ensure quality.

### Supply

Another section of the Fort Leonard Wood Central NAF Office is the supply activity. This section keeps track of fixed assets and non-expendable supplies. Hand receipt systems were developed to ensure all property requirements were met. The office executes periodic supply inventories and holds semiannual auctions of unserviceable NAF property with the proceeds returned to the NAF activity.

### Warehouse

A central food warehouse assists NAF activities by reducing the

requirement for excessive inventories, thereby reducing expenses. Reorder points for stock items were established to prevent shortages and to ensure the availability of stock for managers. Three large freezers are used to store NAF frozen foods since vendor deliveries at remote Fort Leonard Wood are not as frequent as in more urban areas.

The Central NAF procurement activity works closely with the beverage warehouseman to ensure that the club system gets what it needs. Club managers provide daily input to the beverage procurement system and the warehouse is informed in advance of seasonal fluctuations. This arrangement helps reduce club inventory and costs.

The installation club manager's office is located in the same building as the morale support fund manager's office, easing communication and coordination between NAF activities. Other NAF customers of the central office are Army Community Service, Child Care and Preschool activities, on-post and isolated unit funds, animal care funds, billeting funds and the rod and gun club.

Hattie Harrett was a prime mover behind the concept. She is an administrative officer for the NAF Office and has been a NAF employee for close to 30 years. Harrett believes the customer comes first and also feels that the NAF office allows for continuity that normally is interrupted as managers are transferred to and from the installation.

**MSG Billy Moseley**, NCO Club Branch Manager, likes the concept and said that he liked the financial analysis capability of the office and believes it to be "efficient, expedient, and helpful," especially in the area of delinquent check collection.

Kelly invites interested people to contact his office at AUTOVON 581-7144 for more information on this centralized support services arrangement. **ah**



## Earl Hughes show entertains soldiers in Korea

**CAMP RED CLOUD, SOUTH KOREA**—The "Earl Hughes Progressive Country and Western Show" has gone from Hawaii to South Korea, playing to large crowds at Camp Red Cloud at the outset of a 30-day tour that will take the performers to 26 clubs from Pusan to the Demilitarized Zone.

Hughes and his group have been a familiar sound to audiences in Hawaii and are regular performers at the Hale Koa Hotel, Armed Forces Recreation Center.

The Army Club Fund picked up a large part of the expenses for the tour that is part of a trial effort by The Adjutant General and Eighth US Army to bring stateside entertainment for clubs here.

During the past several months, representatives from the Club and Community Activities Management Directorate have been working with the Eighth Army Headquarters and managers in Korea to "more closely identify problem areas and make suggestions and recommendations for the club entertainment program," according to **Ron Barnett** Directorate Entertainment and Marketing Specialist. Barnett said that the Earl Hughes tour and similar possible future tours is one method of bringing quality entertainment to the troops. Club officials are also exploring joint participation in the Pacific Air Force's club touring show program and direct contact with talent agencies on the West Coast of the United States.

Because of the shortage of high quality entertainers, some club managers in Korea have turned to discotheque-type entertainment for their members. Club managers in Korea obtain their entertainment bookings through the Eighth Army Commercial Entertainment Office after attending auditions at centrally located sites. During these auditions, managers rate the performers, using a grading system which ultimately provides the basis for band pricing.

The best acts touring the Far East often by-pass club dates for more lucrative opportunities in Korea's major hotels and resorts, Barnett said.

There are about 50 Korean and Filipino bands and five Korean floor shows that perform in Korea with six agencies handling the booking. These agencies report that they can make more money providing entertainment to civilian night clubs and hotels than they can in military clubs. Some Korean bands reportedly have difficulty keeping up with stateside

popular entertainment trends.

Another problem is that Korea never signed the international copyright law and therefore cannot legally buy current records, sheet music, or sheet music books. Their only source for American music is over the airwaves which quite often is American Forces Korea Network radio, entertainment officials said. **ah**



As good entertainment becomes scarce and expensive, club managers are turning to discotheques like this one at the US Army Garrison, Yongsan. (Wilken)

## USAREUR entertainment revamped

**HEIDELBERG, WEST GERMANY**—US Army. Europe nonappropriated fund managers are planning a reorganization of the USAREUR Commercial Entertainment Program in an effort to reduce costs and make the entertainment programs more effective, according to officials.

Changes include decentralizing billing and ordering, and elimination of regional offices with accompany-

ing personnel reductions. The program will continue to be operated by the 1st Personnel Command Morale Support Directorate on a trial basis. It will be reviewed at the end of one year to see if more changes are needed. Fiscal administration responsibility for the program will be transferred to the 1st PERSCOM Morale Support Operation Fund from the USAREUR Club Fund, the officials said. **ah**

## TRADOC DPCA Conference underscores efforts to improve NAF management

**FORT MONROE, VA**—"Managing the Soldier's Business" was the theme of a conference that brought 17 Training and Doctrine Command installation Directors of Personnel and Community Activities here for a three-day session on October 14-16.

Conference topics ranged from the overall concept of quality of life to specific discussions on club and other NAF management to personnel matters.

Goals of the TRADOC Community Life Development Program were discussed including efforts to improve community life services and facilities thus improving soldier satisfaction with the Army.

Plans were presented for using management analysis indicators for three major NAF activities: the installation club system, package beverage store, and the morale support fund.

TRADOC DPCAs were urged to take full advantage of Army's NAF Central Investment Program.

DPCAs were also urged to look closely at the number of people working in package beverage stores since the number of full-time personnel needed to operate these stores does not always appear to relate to the store's business volume.

A downward trend in net income for bowling centers was noted with net income reductions attributed to changing leisure-time tastes, less disposable income and poor promotion and publicity among some center managers.

A goal of 100 percent breakeven for child care programs was established and consideration was given to contracting child care services in an effort to reduce costs.

TRADOC morale support activities generated \$27.15 million in fiscal year 1980 while clubs had revenue of \$41.81 million.

Attendees also discussed the findings of the report of the House Armed Services Committee on clubs and package stores and the TRADOC and HQDA positions.

**Red Oates**, TRADOC Chief of Community Life, served as conference moderator and updated attendees on the implications of decisions made at the recent MWR Review Committee (see related article in this issue.)

### Clubs discussed

**Major Lew Turner**, Chief of the TRADOC Technical Assistance Team, Club and Community Activities Management Directorate, TAGO spoke on TRADOC club operations. Turner emphasized the need for improved club budgeting, better management information, and tighter inventory management. He said that TRADOC managers should work to reduce food and beverage inventories by buying on an as-needed basis instead of stockpiling products. He suggested that club food inventory should turn over 2.5 to three times per month and that beverage inventory be turned twice a month, thus improving club cash flow. Turner cited a TRADOC technical assistance finding where almost \$5,000 was carried as an account receivable although the charges were one to three years old.

Other conference discussions centered around the need to reduce morale support activity fees and charges, especially in the area of swimming activities, auto shops, child care, physical activities and dependent youth activities. **ah**

## Self-insured NAF workers' comp improves cash flow

**WASHINGTON**—The Risk Management Program's worker's compensation has ended its first year of being self-insured resulting in better cash flow and increased fund earning, according to fund managers at the Club and Community Activities Management Directorate, TAGO.

Prior to Fiscal Year 1980, workers'

compensation coverage was carried by a commercial company under contract. Under this system, the Army's Risk Management Program made payments to the company to cover projected payments for individual workers' compensation claims. Also, the company retained the Army Central Insurance Funds until claim payments were made, the officials explained.

Now, the Risk Management Program does not use a commercial company except as a conduit for insurance payments and billings resulting in improved cash flow that comes from allowing more central insurance funds to be invested in the Army's Central NAF Investment Program. The Investment Program provided quarterly dividends as high as 18 percent per annum on deposits of nearly \$3.5 million by the Insurance Program during Fiscal Year 1980.

The Risk Management Program provides workers' compensation insurance coverage for nonappropriated fund employees in the United States and for U.S. citizens working in NAF activities abroad. The benefits paid for on-the-job injuries are provided under the provisions of the Federal Longshoremen and Harbor Workers' Compensation Act.

## ARMY HOST

Club and Community Activities  
Management Directorate

Office of The Adjutant General

**MG James C. Pennington**  
The Adjutant General

**BG Robert M. Joyce**  
Deputy The Adjutant General

**COL Lee C. Dickson**  
Director

**Stephen O. Rossetti, Jr.**  
Editor

The *Army Host* is published by the photo offset method for Army clubs, hotels, other hospitality-related morale, welfare and recreational activities with food, beverage and other resale activities (except AAFES). This newsletter is not an official publication of Department of the Army and editorial views expressed are not necessarily those of Department of the Army. An authorized publication, it accepts no paid advertising.

Address all correspondence to Editor, *Army Host*, Club and Community Activities Management Directorate, TAGO, HQDA(DAAG-CM), Washington, D.C. 20314